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TODAY: STYLE Sterling Silver, Page 10

# Hope Drying Up In North Korea

## *Amid Famine, Monsoon Skips 'Parched, Exhausted Land'*

By Barbara Crossette
*New York Times Service*

UNITED NATIONS, New York — The monsoon rains are not coming to North Korea this summer, and relief officials permitted to visit this reclusive country — its economy destroyed by the most bizarre of Communist systems, its safety net of Soviet bloc nations gone, its food stocks severely cut back by two years of floods — say this unexpected drought may finally bring nearly all 24 million North Koreans to the brink of starvation.

Officials from international organizations and private agencies said in interviews in recent days that they had not seen such severe effects of malnutrition since the famines in Ethiopia and Somalia.

"The difference is that in Ethiopia and Somalia you had pockets that were affected because of drought or war, but it wasn't a generalized phenomenon," said Trevor Rowe, spokesman for the World Food Program in Rome, which has been raising money for emergency food aid from governments. "In North Korea it is far more generalized. As the food goes down, everyone is suffering."

The North Korean drought threatens to decimate the traditional early harvest in October on which the country's hopes for an alleviation of a serious food shortage were pinned. The country was expected to harvest 4 million tons of food this year. Projections show that at least 1.5 million tons will be lost.

Four UN agencies and two independent organizations working in North Korea said Monday that the drought — more than 60 days with no rain and hot temperatures — had already cost the country 70 percent of its corn crop, including virtually all plants that were not irrigated. Falling water levels will soon threaten rice crops, they added.

An World Food Program official wrote to the headquarters in Rome: "Flying over the northeast in a chopper from Pyongyang to Hamhung and Chongjin provides stark visual data on the extent and severity of the drought. Vast expanses of parched, arid land; fields with barely a hint of green crops; fields that were planted in the past lying barren and deserted; much of the hillside and mountainside stripped of trees, exposing sandy soil, rocky outcrops and scrub vegetation."

"Terraced slopes that hugged the contours of the hillsides are laid bare," the official added. "Even the wide, fertile, fluvian plains that one would expect to see farmed are bare. Many of the rivers have dried up. Others are filled with boulders and pebbles from last year's flood. A blue lake that I flew over appeared almost like a mirage in a sea of sand. The sense I got was one of exhaustion: parched, dried, exhausted land."

North Korea will for the first time take part Tuesday in talks to reduce tensions on the Korean Peninsula. Relief officials say that the talks, to be held in New York, are much more important to the North Koreans than they have admitted.

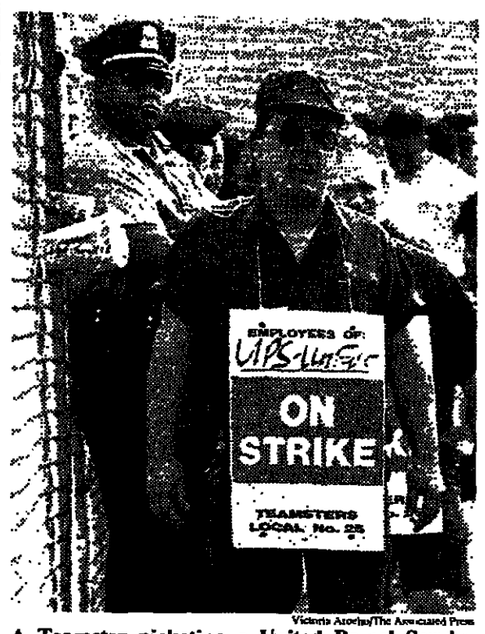
Negotiators say they hope the talks, at Columbia University in New York, will lead to the drafting of a treaty to replace the 1953 armistice that halted fighting in Korea.

### ■ Pyongyang Hands Over Remains of 4 Americans

In a goodwill gesture on the eve of the landmark four-nation talks, North Korea on Monday handed over the remains of four U.S. soldiers killed during the 1950-53 Korean War, news agencies reported from Seoul. The remains were excavated by 10 Americans who arrived in the North last month.

Within hours of the handover at their border, North and South Korea linked their public phone lines for the first time since the peninsula was divided at the end of World War II, Seoul officials said. The lines will allow South Koreans preparing to build nuclear power plants in the North to communicate with their families and headquarters. *(Reuters, AP, AFP)*

## Nationwide Strike Hits UPS




Victoria Arocho/The Associated Press

**A Teamster picketing a United Parcel Service center in Massachusetts on Monday after management said it had made its 'final' offer. Page 11.**

# China's Chance for WTO Fades

## *U.S. Says Beijing Is Not Doing Enough to Enter Trade Group*

By David E. Sanger
*New York Times Service*

WASHINGTON — After several months of slogging negotiations, U.S. officials say they now doubt they will reach broad agreement this year to admit China to the World Trade Organization, an accord they once hoped would be the centerpiece of President Jiang Zemin's state visit to Washington in October.

American officials had hoped that during talks in Beijing and Geneva that concluded Friday, China would make a comprehensive offer to open its markets and allow foreign competitors to take on state-owned Chinese industries, which employ a majority of China's urban population.

But instead, officials from the United States and Europe said, China's negotiators offered piecemeal concessions. Now, American officials are questioning whether Mr. Jiang, who is assembling a leadership team that will be formally endorsed at a major party congress just before his visit here, is ready to take the politically difficult steps required for his country to join the club of trading nations.

There are now 131 countries and regions that are members of the World Trade Organization, with the notable exceptions of China and Russia, and Beijing has sharply criticized the West for setting conditions that it believes bar it from entry.

China must reach agreement with its major trading partners before its candidacy for WTO membership is put to a vote. Once an agreement is reached, a simple majority would allow China entry into the trade group.

But U.S. officials say that China is unwilling to make large-scale concessions that would allow, for example, foreign companies to sell stock, deliver packages commercially and sell telecommunications services across the breadth of China. Currently, a number of companies are permitted to do these things, but only on an experimental basis in some cities.

"China's offers were tepid," said Charlene Barshefsky, the U.S. trade representative who has supervised the delicate negotiations.

"This was a view shared by a number of our trading partners," she said, noting that this even included Japan and Europe, which have pressed for quicker admission for China under relaxed rules.

"If China wishes its hopes to enter the WTO to be a key element of the meeting with President Clinton, it must move quite rapidly now," she said. "But there is no indication at this juncture that China intends to move meaningfully forward."

Some of the comments made by Ms. Barshefsky's negotiating team and their Chinese counterparts in recent days were clearly part of the posturing that accompanies the complex economic negotiations that have become the 1990s successors to arms control talks. But the negotiations over market openings in China are particularly fraught with high-level politics in both capitals.

Chinese leaders have to weigh whether it is worth surrendering further control over the nation's economy to market forces in order to meet the entrance requirements for the World Trade Organization. They also have to consider the potential political costs if open competition, and a phasing out of subsidies to state-run industries, results in waves of unemployment across the country.

In Washington, the current investigations into China's possible role in the 1996 presidential and congressional campaigns have also lurked in the back-

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Achim Scheidemann/Agence France-Presse

**A RIVER BATTLE — A German soldier catching a sandbag Monday at Hohenwutzen on the Oder at a point where the dike was showing signs of rupture. But the waters started to recede and 10,000 soldiers and civilians began to relax. Page 5.**

# *If Euro Needs Defense, Who'll Call the Shots?*

## Paris and Bonn Split Over Central Bank

By John Vinocur
*International Herald Tribune*

PARIS — The current pressure on the Deutsche mark foreshadows a situation, once the installation of a single European currency is complete, that has no certain answer in the manual on how Europe will be run in 1999.

How would the new Europe respond to eventual instability in its new currency, with who consulting whom about what to do, and with what forces or institutions having the last word?

This is a "who's-the-boss" question that deals with who controls European monetary policy once monetary union takes effect. It lines France up against Germany, with the French pressing for a politically based oversight group to control the theoretically independent European Central Bank and the Germans insisting that, according to the Maastricht treaty, the bank must function autonomously with complete authority over monetary policy.

Whatever else Chancellor Helmut Kohl and Prime Minister Lionel Jospin plan to discuss about Europe at their meeting in Bonn on Aug. 28, this issue is present as a constant subtext because it involves what both sides, without quite saying so, recognize has become a discussion over how power will be held within the European Union.

The mark's present weakness brings a hard focus to the issue. As Europe's single monetary heavyweight, any decision by the Bundesbank in the coming weeks to raise interest rates to protect the exchange value of its currency affects Germany's neighbors. They are virtually obligated to match a rate increase, even though higher interest rates, in the current weak economic climate, will serve as disincentives to investment.

Although there is plenty of talking with Frankfurt, the Bundesbank retains,

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# *3 Zeroes Lost In Makeover Of the Ruble*

By Daniel Williams
*Washington Post Service*

MOSCOW — Russia plans to lop three zeroes off ruble banknotes next year in an effort to simplify commerce and to demonstrate that a seven-year collapse of the currency and accompanying economic depression are at an end.

The "redenomination" of the ruble is a seemingly straightforward mathematical operation: Come Jan. 1, for instance, instead of spending two 1,000-ruble bills to take a subway, Muscovites will be able to use a pair of newly minted one-ruble bills.

President Boris Yeltsin tried to imbue the move with historical meaning by declaring an end to the 1990s era of hyperinflation: "We declare that there will be no more inflation. New zeroes will never again appear on our banknotes."

Sergei Dubinin, chairman of the central bank, went further. He said Russia was about to break out of a slump marked by the closure of hundreds of factories, high unemployment and declining wages.

"All necessary conditions are in place for moving into economic growth," he said.

In a televised speech from Volzhsky Utyos, where he is winding up a summer vacation, Mr. Yeltsin stressed the benefits of the exchange, saying, "It will be easy to count without so many zeroes."

# In Arab World, Nervous Steps Toward Democracy

By John Lancaster
*Washington Post Service*

KUWAIT CITY — Every Tuesday, as many as 50 robed male deputies gather in the hushed, lavishly appointed chamber of the National Assembly here, a glistening white edifice on the Gulf designed by Jorn Utzon, the Danish architect who planned the Sydney Opera House.

Fingering their worry beads, the deputies rise to address the issues of the day, each prefacing his remarks with the declaration, "In the name of God Most Gracious."

Seated in the front rows, draped in formal gold-trimmed capes, are ministers in the government's cabinet, including members of the Sabah family, which has ruled this wealthy oil sheikhdom for more than two centuries.

But the mood is anything but reverent.

Deputies take undisguised pleasure in making the ministers squirm, grilling them on questionable relationships with businessmen and auditing their budgets with prosecutorial zeal. They point fingers.

*Second of two articles*

In a thinly veiled swipe at the education minister the other day, one went so far as to accuse Kuwait University administrators of being "retarded."

This is not a story about the flowering of democracy in the Middle East. Even in relatively liberal Kuwait, women cannot vote, political parties are illegal and ultimate power rests with the emir, Sheikh Jabir Ahmed Sabah, whose dissolution of Parliament in 1986 lasted six years.

In some respects, it is a story about what is not happening — about the uncanny staying power of autocratic Arab rulers in the face of a global democratic trend that in recent years has toppled totalitarian regimes from Latin America to Asia to Eastern Europe.

The authoritarian bent of Arab regimes and their sluggish approach to economic reform have contributed to an impression of a region largely cut off from the forces of democracy and free markets that have brought prosperity and political stability to much of the post-Cold War world.

But the glass, if not half full, is not entirely empty. There are growing signs that the countries stretching from Morocco on the western coast of North Africa, across the Middle East to Iraq and Iran are not so impervious to de-

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## AGENDA

### U.S. Severs Links With Bosnian Envoys

WASHINGTON (Reuters) — The United States joined its West European allies Monday in suspending contact with Bosnian envoys to try to force the country's factions to divide its ambassadorial posts fairly.

A State Department spokesman offered no details of how the suspension would be implemented, but said it would have no effect on economic development assistance to Bosnia. The U.S. move was in line with actions taken by France, Britain, Sweden and Austria after Germany became the first country to make the move Sunday. Page 7.

**The Dollar**

| New York | Monday @ 4 P.M. | previous close |
|---|---|---|
| DM | 1.8663 | 1.883 |
| Pound | 1.6317 | 1.6315 |
| Yen | 118.35 | 118.385 |
| FF | 6.2935 | 6.282 |

**The Dow**

| | Monday close | previous close |
|---|---|---|
| +4.41 | 8198.45 | 8194.04 |

**S&P 500**

| change | Monday @ 4 P.M. | previous close |
|---|---|---|
| +3.16 | 950.30 | 947.14 |

Agence France-Presse

### Oldest Person, 122, Is Dead in France

Jeanne Louise Calment, who was born in Arles in 1875, died near that city Monday. She had become an institution in France, with reporters asking her every year the reasons she credited for her longevity. "God must have forgotten me," she once said. The new champion, who will soon be 115, lives in San Rafael, California. Page 5.


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The IHT on-line http://www.iht.com

# *'Killer' Dolphins Retire*

## Ukraine Seeks Peaceful Jobs for Navy Porpoises

By Michael Specter
*New York Times Service*

SEVASTOPOL, Ukraine — There was a dark time, not so long ago, when it seemed as if the killer dolphins of the Black Sea Fleet would never find peace without war.

Trained, in the words of a spokesman for the Ukrainian Navy, to "seek, find, kill," the 70 special forces dolphins lost their sense of purpose when the Wall fell.

Like John Le Carre, another Cold-War superstar knocked off balance by a world of freedom, the dolphins couldn't seem to get the point of the watery universe if sniffing out mines — and occasionally exploding them — was no longer necessary.

"When the Cold War ended, we thought about everything," said Captain Nikolai Savchenko, the chief spokesman for the Ukrainian Navy. "We tried to persuade oil companies to retrain them. But nobody was interested. In a way, it was your typical case of defense conversion. These dolphins were raised in a world that had ceased to exist."

Well, sort of. Speaking purely in evolutionary terms, dolphins were never meant to be fitted with headgear and loaded into special cages where they could dive hundreds of feet in search of mines and foreign frogmen. But these animals clearly performed way beyond Darwin's expectations.

"You can't really call them animals," said Dr. Lyudmila Lukina, a physician who runs a program using the dolphins in a new role: therapy for children with autism and other problems. "They are far too smart for that."

When the dolphins found enemy mines, they would simply attach a special glue to the metal (with a gentle nose kiss) that let Soviet sappers, who could blow them up, know where they were. It is unclear if this ever actually happened.

Captain Savchenko asserted that the dolphins were even occasionally dropped from helicopters with parachutes, although the purpose for this type of mission is impossible to divine.

Scientists would travel to Sevastopol from across the Soviet Union to study dolphin behavior and try to figure out better ways to make use of their unusual intellectual gifts. But in this city, where every job had some military purpose, the Ukrainian Navy was left bankrupt after the Soviet Union dissolved in 1991.

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# Japan's Elderly Despair Over Solitude

By Nicholas D. Kristof
*New York Times Service*

OMIYA, Japan — As Kuni Kanbe fusses over the frail figure of her 84-year-old husband, gaunt and bedridden with cancer, she thinks of her four children, all sympathetic and loving, and a long way away.

When she married 56 years ago, Mrs. Kanbe recalled softly, she lived with her husband's parents and cared for them as they aged and sickened and died. But now, as she and her husband struggle with age and sickness in this little town in central Japan, her house is full of emptiness that resounds with the absence of her grandchildren.

"I took care of my parents-in-law, but nobody will take care of me," she said. "I suppose," she said, and for the first time a hint of bitterness crept into her tone, "it's better for young people this way."

The sense of unfairness endured so stoically by Mrs. Kanbe is common among the elderly in Japan even though, by everyone's standards but their own, the Japanese are models of filial piety. Some 55 percent of Japanese over the age of 65 live with their children, compared with fewer than 20 percent in the United States and virtually every other industrial country.

As the baby-boom generation approaches retirement, threatening the bankruptcy of social security systems

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**Newsstand Prices**

| | | | |
|---|---|---|---|
| Bahrain | 1.000 BD | Malta | 55 c |
| Cyprus | C £ 1.00 | Nigeria | 125.00 Naira |
| Denmark | 14.00 DKr | Oman | 1.250 OR |
| Finland | 12.00 FM | Qatar | 10.00 QR |
| Gibraltar | £ 0.85 | Rep. Ireland | IR £ 1.00 |
| Great Britain | £ 0.90 | Saudi Arabia | 10 SR |
| Egypt | EE 5.50 | S. Africa | R12 + VAT |
| Jordan | 1.250 JD | U.A.E. | 10.00 Dh |
| Kenya | K. SH. 160 | U.S. Mil. (Eur.) | $ 1.20 |
| Kuwait | 700 Fils | Zimbabwe | Zim.$30.00 |

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AT&T

*The New National Geographic* / **No Longer Nonprofit**

# *An Aristocrat of a Magazine Discovers the Bottom Line*

By Constance L. Hays
*New York Times Service*

WASHINGTON — National Geographic has always stood apart from most other magazines, a yellow-bordered aristocrat clinging to its Victorian sense of purpose: "the increase and diffusion of geographic knowledge."

No miracle diets or sex tips here, just exhaustive examinations of the Roman Empire or startling pictures of somewhere on the fringes of the galaxy.

And for millions of Americans, for more than a century, that has been just fine. With a circulation of 9 million, National Geographic has become as sturdy an icon as the school bus, with many a suburban bookshelf sagging under the weight of the musty magazines that people can't bear to throw away.

But now the National Geographic Society, the $500 million-a-year enterprise behind the magazine, is changing from a traditional, nonprofit monolith into an explorer of an assortment of other media, this time for profit. The move comes as Gilbert Grosvenor, the last link to the society's founding family — an illustrious clan that included Alexander Graham Bell — has disappeared from the daily operations, leaving brasher newcomers in his place.

And though with change there is nearly always protest, here the protest is so sustained that it suggests the society may be abandoning what has made it unique all these years — and, in the process, trading in its rather classy image for a more commonplace devotion to the bottom line.

"The question always is: When you take away what is special about the Geographic, do you take away what the audience perceives as special?" said Peter Benchley, the author of the novel "Jaws" who has written several articles for the magazine, including the June cover story on French Polynesia.

Jennifer Ackerman, a former staff member whose article on barrier islands is in the August issue, said: "Everybody is concerned, largely because there's uncertainty about direction. It has been a very rapid change."

From the way it treats its photographers, to its rush to embrace other media to its willingness to pursue corporate sponsors like Pizza Hut, the made-over society, led by its president and chief executive, Reg Murphy, has aroused curiosity and anger within and outside its walls.

For decades, an air of collegiality prevailed. The editorial side rarely heard from the business side. Time and money flowed for as long as an article or its photographs required — which sometimes was for years. Any change came slowly, as when an earlier Grosvenor decided to get rid of the oak-leaf decorations on the magazine's border, removing them one at a time over several years. Readers barely noticed. Financially, National Geographic also looked robust, with a huge endowment amassed from its accrued tax-exempt profits.

But a closer looks shows that the business has not been so healthy lately. The 1996 consolidated financial statement reported $496.7 million in revenue, but $500.9 million in expenses. Contributions, $6.4 million in 1992, were only $2.2 million last year. Circulation has fallen from its 1989 peak of 10.9 million to 9 million today.

Were it not for selling some securities in its endowment, the society would not have been in the black either of the last two years, although its executives attribute the recent higher costs to downsizing.

Chuck Kennedy/The New York Times

*Gilbert Grosvenor, left, the last link to the society's founding family, is now absent from its daily operations; Reg Murphy, the chief executive, is upbeat about the changes.*

That explains, in part, the attraction to the world of for-profit media — even if it means eventually paying taxes.

The society has yet to pay the government anything for its new ventures, which have racked up a $24 million loss that, under current law, could shelter future income.

Apart from the tax issue, the tension is palpable these days in the hallways of the offices clustered in three buildings along 16th, 17th and M Streets. "A lot of the people who are making decisions right now have business backgrounds," said another editor, Robert Poole, who is second-in-command. "All of this is particularly difficult for people like me who work for the magazine."

Some people argue that the change is long overdue, that National Geographic enjoys an unfair advantage by classifying itself as a nonprofit society.

"National Geographic isn't nonprofit — it's simply non-taxpaying," said Dean Hammond, chairman and chief executive of Hammond Maps, which for decades has considered National Geographic a competitor. "As a small family-owned business, we have paid thousands of times the taxes they have ever paid, and yet they have this self-polished halo and the reputation of being good guys."

Mr. Murphy, who succeeded Mr. Grosvenor a year ago, counters that National Geographic created the interest in maps in the first place.

The changes at National Geographic started slowly but are now in overdrive. First came the switch from not-for-profit status to a partly taxable institution in 1994, when the society created National Geographic Ventures, the for-profit arm that includes its television, on-line and map-making businesses.

Society executives set up the dual structure to avoid jeopardizing National Geographic's tax-exempt status as it competed in other media.

Except for the flagship magazine, which is sent monthly to anyone who pays the $27 annual membership fee, just about anything that becomes a high-volume business or is sold in commercial venues where it vies with products from tax-paying competitors can fall under the for-profit division.

The shift may have spared the society, historically a darling of Congress, from completely losing its tax-exempt status, as other organizations have recently.

But it did not inoculate the society altogether. Fine print in last week's tax package will force the society to begin paying taxes on millions of dollars of rents and royalties it collects from its for-profit subsidiary as of Jan. 1, 2000.

"We are strongly, negatively impacted by it," Suzanne Dupre, the society's general counsel, said of the tax bill.

But like someone's great-aunt who suddenly decides to take up bungee-jumping, the fin-de-siècle Geographic faces other perils besides taxes.

"Talk about a shift," said Peter Miller, senior assistant editor for expeditions, who is generally enthusiastic. "You have a new lord and master: What can we do that will thrill people and still make money?"

THERE ARE PLANS for all kinds of ventures, from full-length feature films to CD-ROMs that contain every issue of the flagship magazine — an information trove that might help loyalists feel better about finally shedding those back copies.

Cable television broadcasting partnerships have been forged with NBC and Rupert Murdoch's British Sky Broadcasting. Hallmark is a sponsor of a made-for-television mini-series about Stanley and Livingstone that will be broadcast on ABC. And talks are on with two movie studios, Columbia Tristar and Francis Ford Coppola's American Zoetrope.

Materials that have long been offered exclusively to members — atlases, videos and books, for example — will finally be offered to the masses, a nod to the 17 percent decline in membership since 1989.

To help that rollout, the map division in January completed the society's first-ever acquisition, a $2 million Colorado company called Trails Illustrated, and struck a partnership with the Geosystems Global Corp. to produce the first National Geographic Road Atlas by this fall.

That is not all. About $20 million was spent for a 44 percent stake in Destination Cinemas, which creates giant Imax theaters in places like William Randolph Hearst's castle and national parks. The magazine's site on the World Wide Web (www.nationalgeographic.com) is up and running. Two Spanish-language editions, one for Latin America and one for Spain, will start soon.

The guiding principle is "branding," the use of the trademarked yellow rectangle to promote other products. "The model company that tends to get talked about a lot is Disney, that it's great at brand awareness and brand extension," said Bernard Ohanian, the editorial director of international editions, whose job just became much busier. The idea is that when the new ventures are profitable, they will help pay for society expeditions, research and classroom programs.

But the society's staff members, the true believers in that mission, are not taking as well to the upheaval, which many say has threatened the quality of the magazine. "You have the new regime saying, 'Why do you have to spend so much time in the field?' " Mr. Ohanian said. "And the editors say, 'No one else produces the product we do.' "

Mr. Murphy is unfazed by the upheaval. "Change is the rock in everybody's shoe," he said. "Some people limp."

But there are rumors that Mr. Grosvenor and Mr. Murphy, the past and the present, are at each other's throats. A senior editor, who spoke on condition of anonymity, said: "This place is like a Southern family with a dead aunt upstairs. Everybody knows she's there, but nobody wants to talk about it."

# Air-Traffic Slowdown Adds to Pressures on Kenya

*Reuters*

NAIROBI — Pressures on President Daniel arap Moi's government grew Monday as an air traffic controllers' work slowdown brought chaos to tourist flights, and the Kenyan currency weakened further against the dollar.

The third day of the protest by controllers delayed passenger and cargo flights for up to 12 hours in the high season for one of Africa's main tourist destinations.

The Kenyan shilling came under new pressure amid high dollar demand after the International Monetary Fund halted a $205 million aid package Thursday because of high-level corruption.

"The go-slow is in its third day," an air traffic controller said at Nairobi's Jomo Kenyatta airport, "and it is absolute chaos out there."

A Kenya Airways official said planes leaving Kenyatta were delayed 3 to 12 hours, while arrivals were forced to wait up to two hours to land.

"We are moving to crisis point," the official at the national carrier said. "We hope the government will intervene to resolve the issue."

But officials said formal talks between the controllers and the government had yet to begin.

Kenyatta is the main cargo and passenger hub for East Africa. For some air cargo carriers, it is even more important than airports in South Africa, the continent's economic leader.

The protest is also affecting other Kenyan airports at Mombasa, Kisumu and Malindi. The controllers are demanding a 50-fold pay increase, housing allowances and government-backed mortgages. Meteorologists who supply weather information for air traffic have also reduced output, increasing problems in flying in all of East Africa.

Lufthansa Cargo said most of its Frankfurt-bound perishable cargo this weekend was delayed more than 24 hours because late departures from Nairobi meant most connections were missed.

Airlink said it stood to lose completely a cargo of five tons of fresh flowers, awaiting a connection to South Africa since Saturday.

Tourism is Kenya's top earner of hard currency, with flowers and fresh produce in fourth place.

The controllers struck as the Moi government was squeezed over corruption and political reforms.

The shilling opened Monday at 62.50 to the dollar, compared with the Friday close of 61, and weakened to nearly 63, according to commercial bank rates.

An alliance of opposition-backed groups is calling for a general strike Friday, but Labor Minister Philip Masinde declared such a walkout illegal Sunday.

## TRAVEL UPDATE

### Finnair and Lufthansa To Go Separate Ways

HELSINKI (AFP) — Finnair and Lufthansa have agreed to discontinue their air-traffic cooperation agreement as of Oct. 25 in order to develop pacts with other airlines, Finnair said on Monday.

The deal between the carriers has covered scheduling coordination, joint marketing and sales activities and frequent-flyer programs. The frequent-flyer cooperation is to remain in effect through the end of the year. Both airlines have had pacts with other carriers during their work with each other.

**Egypt and Malaysia will be linked** by twice-weekly flights starting Oct. 6 aimed at bolstering trade and tourism, a senior Egyptian official said Monday. *(AFP)*

**Finland signed an agreement for visa-free travel with Lithuania**, the last of the three former Soviet Baltic republics to work out such an arrangement. *(AP)*

**Authorities in the Chinese province of Henan** are planning a November trial run for the country's first high-speed train, which is to reach a speed of 250 kilometers per hour (155 miles per hour) in its run between Suqiao and Xiaoshangqiao. *(AFP)*

## WEATHER

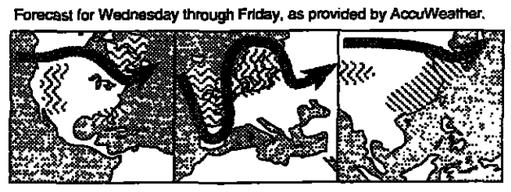
### Europe

| | Today High C/F | Today Low C/F | Tomorrow High C/F | Tomorrow Low C/F |
|---|---|---|---|---|
| Algarve | 25/77 | 14/57 s | 23/73 | 14/57 s |
| Amsterdam | 26/79 | 17/62 pc | 27/80 | 18/64 sh |
| Ankara | 27/80 | 10/50 pc | 28/82 | 12/53 pc |
| Athens | 31/88 | 23/73 s | 30/86 | 22/71 pc |
| Barcelona | 26/79 | 19/66 c | 27/80 | 21/70 pc |
| Belgrade | 30/86 | 15/59 pc | 28/82 | 14/57 pc |
| Berlin | 26/79 | 17/62 pc | 26/79 | 17/62 pc |
| Brussels | 27/80 | 18/64 pc | 26/82 | 18/64 sh |
| Budapest | 29/84 | 16/61 pc | 27/80 | 16/61 t |
| Copenhagen | 23/73 | 13/55 s | 23/73 | 16/61 s |
| Costa Del Sol | 27/80 | 17/62 s | 27/80 | 17/62 s |
| Dublin | 22/71 | 14/61 c | 24/75 | 17/62 sh |
| Edinburgh | 21/70 | 12/53 pc | 24/75 | 16/61 pc |
| Florence | 22/84 | 18/64 sh | 31/88 | 19/66 pc |
| Frankfurt | 25/77 | 13/55 pc | 25/77 | 15/59 pc |
| Geneva | 31/88 | 16/61 c | 29/84 | 17/62 pc |
| Helsinki | 21/70 | 13/55 sh | 23/73 | 14/57 pc |
| Istanbul | 28/84 | 21/70 pc | 29/84 | 19/66 pc |
| Kiev | 24/75 | 14/57 sh | 24/75 | 15/59 sh |
| Las Palmas | 26/79 | 18/64 s | 24/75 | 18/64 s |
| Lisbon | 22/71 | 13/55 s | 23/73 | 14/57 pc |
| London | 22/71 | 17/62 c | 26/79 | 17/62 r |
| Madrid | 30/86 | 18/61 pc | 32/89 | 17/62 c |
| Mallorca | 25/77 | 21/70 c | 25/77 | 23/73 pc |
| Milan | 33/91 | 21/70 pc | 31/88 | 21/70 pc |
| Moscow | 24/75 | 14/57 pc | 22/71 | 17/55 pc |
| Munich | 26/79 | 12/53 pc | 24/75 | 16/61 s |
| Nice | 30/86 | 22/71 pc | 29/84 | 23/73 pc |
| Oslo | 26/79 | 17/62 pc | 20/79 | 17/62 pc |
| Paris | 28/82 | 17/62 sh | 27/80 | 16/61 c |
| Prague | 24/75 | 11/52 pc | 23/73 | 13/55 c |
| Reykjavik | 14/57 | 7/44 r | 13/55 | 12/53 c |
| Riga | 24/75 | 16/61 pc | 23/73 | 15/59 c |
| Rome | 31/88 | 21/70 pc | 31/88 | 22/71 pc |
| St. Petersburg | 24/75 | 15/59 c | 23/73 | 16/61 c |
| Stockholm | 22/71 | 13/55 s | 23/73 | 16/61 s |
| Strasbourg | 31/88 | 17/62 pc | 29/84 | 18/64 s |
| Tallinn | 21/70 | 13/55 sh | 23/73 | 15/59 pc |
| Tbilisi | 29/84 | 18/64 r | 28/82 | 19/66 c |
| Venice | 27/80 | 20/68 r | 28/82 | 21/70 pc |
| Vienna | 29/84 | 18/64 pc | 28/82 | 18/64 pc |
| Warsaw | 25/77 | 13/55 pc | 24/75 | 13/55 pc |
| Zurich | 29/84 | 16/61 c | 27/80 | 18/64 s |

### Middle East

| | | | | |
|---|---|---|---|---|
| Abu Dhabi | 40/104 | 27/80 s | 40/104 | 29/84 sh |
| Beirut | 24/75 | 20/68 s | 29/84 | 22/71 pc |
| Cairo | 33/91 | 20/68 s | 34/93 | 21/70 pc |
| Damascus | 28/82 | 14/57 s | 27/80 | 16/61 s |
| Jerusalem | 26/79 | 14/57 s | 27/80 | 16/61 pc |
| Luxor | 41/105 | 19/66 s | 40/104 | 22/71 s |
| Riyadh | 42/107 | 25/77 s | 42/107 | 27/80 s |

Forecast for Wednesday through Friday, as provided by AccuWeather.



Jetstream — Unseasonably Cold — Unseasonably Mild — Heavy Rain — Heavy Snow

**North America** Sunny, nice weather will affect many locations along the East Coast Wednesday through Friday from Boston south to Washington, D.C. Wet weather will dampen the Southeast Gulf coastal region, while heat continues to build in the West. Monsoon rain should slacken in the Southwest.

**Europe** A large area of high pressure will build into central Europe and Scandinavia Wednesday through Friday, providing unusually warm and dry weather to Norway and Sweden. Damp weather will continue across western portions of the U.K. near Dublin. It will not be quite as hot from Madrid to Rome.

**Asia** Typhoon Tina will affect Okinawa Wednesday with heavy rain and high winds. Tina will then head toward southern Japan Thursday and Friday. It will be hot across western China, but scattered thunderstorms will dampen southeastern China. Monsoon rain will continue over India near Bombay.

### North America

| | Today High C/F | Today Low C/F | Tomorrow High C/F | Tomorrow Low C/F |
|---|---|---|---|---|
| Anchorage | 21/70 | 12/53 pc | 19/66 | 13/55 pc |
| Atlanta | 32/89 | 18/64 s | 28/82 | 18/64 pc |
| Boston | 22/71 | 16/61 r | 23/73 | 14/57 sh |
| Chicago | 24/75 | 11/52 s | 22/71 | 13/55 pc |
| Dallas | 36/97 | 22/71 s | 32/89 | 19/66 s |
| Denver | 29/84 | 14/57 t | 29/84 | 13/55 t |
| Detroit | 23/73 | 11/52 s | 20/68 | 11/52 pc |
| Honolulu | 30/86 | 22/71 pc | 31/88 | 23/73 pc |
| Houston | 36/97 | 22/71 pc | 32/89 | 21/70 pc |
| Los Angeles | 37/98 | 21/70 s | 34/93 | 19/66 pc |
| Miami | 33/91 | 24/75 pc | 33/91 | 25/77 pc |
| Minneapolis | 27/80 | 14/57 s | 24/75 | 15/59 pc |
| Montreal | 16/61 | 14/57 r | 21/70 | 8/46 r |
| Nassau | 33/91 | 24/75 pc | 33/91 | 25/77 pc |
| New York | 24/75 | 17/62 c | 26/79 | 17/62 pc |
| Orlando | 32/89 | 23/73 sh | 33/91 | 23/73 pc |
| Phoenix | 41/105 | 29/84 pc | 41/105 | 29/84 pc |
| San Fran | 26/79 | 15/59 s | 25/77 | 16/61 pc |
| Seattle | 28/82 | 16/61 s | 27/80 | 15/59 pc |
| Toronto | 19/66 | 8/46 pc | 18/64 | 9/48 pc |
| Vancouver | 26/79 | 15/59 s | 26/79 | 16/61 pc |
| Washington | 27/80 | 19/61 pc | 27/80 | 18/61 pc |

### Asia

| | Today High C/F | Today Low C/F | Tomorrow High C/F | Tomorrow Low C/F |
|---|---|---|---|---|
| Almaty | 33/91 | 19/61 s | 35/95 | 18/64 s |
| Bali | 31/88 | 21/70 c | 31/88 | 21/70 pc |
| Bangkok | 32/89 | 26/79 r | 33/91 | 26/79 pc |
| Beijing | 35/95 | 26/79 pc | 34/93 | 28/82 pc |
| Bombay | 29/84 | 24/75 r | 30/86 | 25/77 r |
| Calcutta | 31/88 | 26/79 t | 30/86 | 26/79 t |
| Cheung Mau | 33/91 | 24/75 s | 33/91 | 24/75 pc |
| Colombo | 29/84 | 24/75 pc | 29/84 | 25/77 pc |
| Hanoi | 32/89 | 24/75 t | 31/88 | 25/77 pc |
| Ho Chi Minh | 33/91 | 24/75 s | 31/88 | 24/75 pc |
| Hong Kong | 32/89 | 27/80 t | 32/89 | 27/80 t |
| Islamabad | 38/100 | 21/70 s | 41/105 | 24/75 s |
| Jakarta | 31/88 | 23/73 pc | 30/86 | 23/73 pc |
| Kathmandu | 33/91 | 24/75 s | 33/91 | 24/75 pc |
| K. Lumpur | 32/89 | 23/73 pc | 32/89 | 24/75 pc |
| M. Khabahi | 33/91 | 24/75 pc | 31/88 | 25/77 pc |
| Manila | 31/88 | 24/75 pc | 31/88 | 24/75 pc |
| Osaka | 30/86 | 26/79 pc | 30/86 | 26/79 pc |
| Pyongyang | 32/89 | 24/75 pc | 32/89 | 25/77 pc |
| Rangoon | 32/89 | 25/77 pc | 33/91 | 25/77 pc |
| Seoul | 31/88 | 25/77 s | 31/88 | 25/77 pc |
| Shanghai | 33/91 | 27/80 t | 33/91 | 27/80 pc |
| Singapore | 32/89 | 24/75 pc | 31/88 | 24/75 pc |
| Taipei | 33/91 | 26/79 t | 33/91 | 27/80 pc |
| Tokyo | 27/80 | 23/73 t | 29/84 | 23/73 t |
| Yangon | 32/89 | 25/77 t | 33/91 | 25/77 pc |

### Africa

| | | | | |
|---|---|---|---|---|
| Algiers | 31/88 | 23/73 pc | 33/91 | 21/70 pc |
| Cape Town | 24/75 | 6/43 s | 17/62 | 11/52 c |
| Casablanca | 27/80 | 14/57 s | 21/70 | 11/52 pc |
| Harare | 24/75 | 13/55 t | 24/75 | 12/53 pc |
| Lagos | 27/80 | 23/73 t | 27/80 | 23/73 t |
| Nairobi | 24/75 | 12/53 t | 24/75 | 12/53 pc |
| Tunis | 33/91 | 21/70 s | 32/89 | 22/71 s |

### Latin America

| | | | | |
|---|---|---|---|---|
| Buenos Aires | 10/50 | 1/34 pc | 8/46 | 2/35 pc |
| Caracas | 31/88 | 24/75 sh | 31/88 | 24/75 pc |
| Lima | 20/68 | 17/62 pc | 20/68 | 17/62 pc |
| Mexico City | 23/73 | 12/53 c | 24/75 | 13/55 pc |
| Rio de Janeiro | 24/75 | 17/62 pc | 25/77 | 16/61 pc |
| Santiago | 15/59 | 6/43 s | 18/64 | 5/41 pc |

### Oceania

| | | | | |
|---|---|---|---|---|
| Auckland | 11/52 | 4/39 pc | 10/50 | 3/37 s |
| Sydney | 13/55 | 8/46 sh | 16/61 | 11/52 pc |

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Hc-a, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1997

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## THE AMERICAS

# Mystery 'Mastermind' In Trade Center Blast

## *Will Trial Uncover Secrets of the Bombing?*

By Benjamin Weiser
*New York Times Service*

NEW YORK — One February night two years ago, a helicopter carrying Ramzi Ahmed Yousef, the man accused of masterminding the World Trade Center bombing, sped along the East River on the last leg of Mr. Yousef's journey from Pakistan, where he had recently been captured, to detention and trial in the United States.

As the helicopter flew over mid-Manhattan, William Gavin, a senior official in the FBI's New York office, pushed up his captive's blindfold.

Mr. Yousef squinted as his eyes adjusted to the light. Then Mr. Gavin pointed at the Trade Center towers below, their lights glowing in the clear, cold night.

"Look down there," Mr. Gavin told Mr. Yousef. "They're still standing."

Mr. Yousef replied, "They wouldn't be, if I had had enough money and explosives," recalled Mr. Gavin, who has since retired.

Mr. Yousef may have boasted of his role in the Trade Center blast, which killed six people and hurt more than 1,000 others on Feb. 26, 1993. But as his trial was expected to begin this week in federal court in Manhattan, important questions remained about this figure and the extent of his participation in what at the time was the worst terrorist attack on American soil.

[Opening arguments in the trial were postponed Monday due to the illness of one juror and the dismissal of an alternate juror, Reuters reported.

[U.S. District Court Judge Kevin Duffy said the first alternate juror had been taken off the trial because of the possibility someone could identify him. He also said one of the 12 permanent jurors had called in sick but was expected to be in court Tuesday.

[Judge Duffy questioned all of the jurors about whether their impartiality had been affected by last week's suicide bombing in Israel and the discovery of five pipe bombs in a raid on a Brooklyn apartment. The judge said opening arguments would begin Tuesday if he and lawyers were satisfied that the juror who was absent Monday could remain fair.]

The trial will seek to elucidate if any country, group or person — beyond Mr. Yousef — sponsored the Trade Center blast. Evidence in previous trials showed that the bombing cost less than $20,000 to carry out, but it is uncertain where the money came from. There have been recent reports that three years before the blast, Mr. Yousef lived in a house in Pakistan paid for by Osama ibn Laden, a wealthy Saudi Arabian who has been accused of supporting Middle Eastern extremists, and who is now under investigation by a federal grand jury.

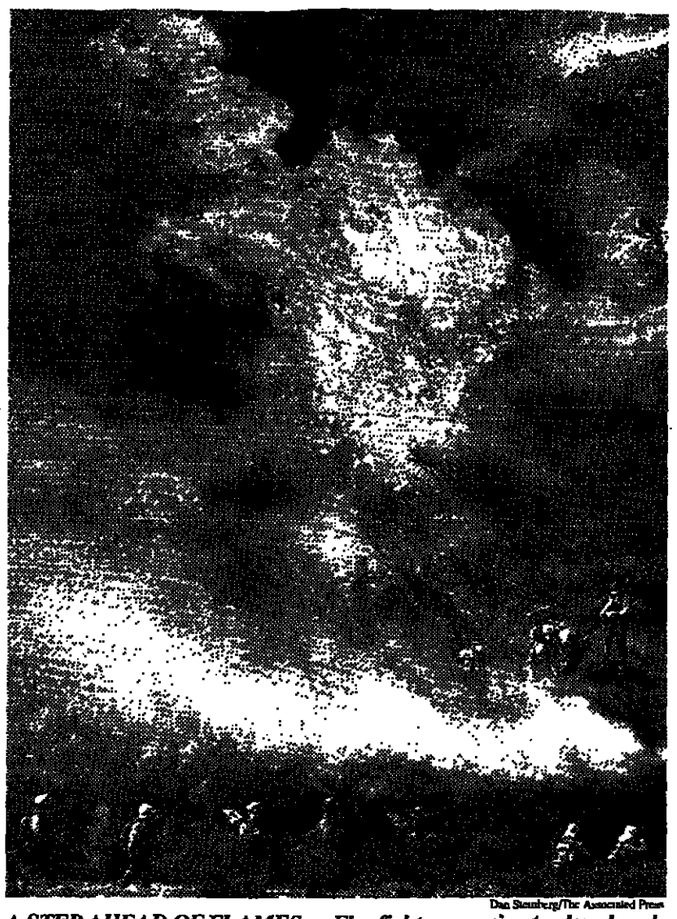
Is there any connection between Mr. Yousef's trial and the incident last week in Brooklyn in which two men were arrested, accused of plotting suicide-bomb attacks in New York City?

In Mr. Yousef's trial, which is likely to last three to four months, prosecutors are expected to focus not on the larger mysteries surrounding the defendant but on proving his guilt in the Trade Center blast. A second defendant, Eyad Ismoil, is also on trial, accused of conspiracy.

"There is certainly a legitimate public curiosity to the question of, was there a great force behind this, and if there was, who was it?" said Henry DePippo, a former prosecutor who tried the first World Trade Center case. "But you're not likely to get the answers to questions in the context of a criminal trial because the prosecution is much more limited."

Mr. Yousef fled the country on the night of the Trade Center bombing and was not present at the first trial, which ended with the convictions of four lower-level defendants.

After Mr. Yousef's arrest in Islamabad, Pakistan, he was tried last year in federal court in Manhattan and convicted of a second conspiracy: a plot in Manila, not carried out, to blow up 12 American passenger airliners. For planning that crime — what prosecutors called "48 hours of terror in the sky" — he faces a mandatory life prison term.



Dan Steinberg/The Associated Press

**A STEP AHEAD OF FLAMES — Fire fighters moving to clear brush in the path of a blaze near Santa Clarita, California. The largest of six fires, covering 720 acres in San Diego County, was contained Monday.**

### Away From Politics

• **A federal appeals court, in an extraordinary last-minute** reversal of a panel from the same court, has blocked the execution of a California man who was convicted 14 years ago of rape and murder. *(NYT)*

• **A hot-air balloon struck a Douglas fir** as its pilot tried to land in Oregon, sending its eight passengers tumbling to the ground and killing one. *(AP)*

• **Three-year-old twin brothers who** had apparently wandered from a Connecticut playground were found dead in a parked car whose interior temperature police estimated had reached 127 degrees Fahrenheit. *(NYT)*

• **A 65-year-old man jumped in front** of an Amtrak train, killing himself. When the authorities went to his Ogden, New York, home, 30 miles from his suicide, they discovered his wife, daughter and 4-year-old granddaughter stabbed to death. *(AP)*

### POLITICAL NOTES

#### *Republicans Spar Over Weld Hearing*

WASHINGTON — The second-ranking Republican on the Senate Foreign Relations Committee says he is willing to defy the panel's chairman, Jesse Helms, to try to force a hearing on William Weld's nomination as ambassador to Mexico.

Senator Richard Lugar, Republican of Indiana, said Mr. Helms, Republican of North Carolina, "cannot be dictatorial ultimately when a majority of the committee, a majority of the Senate and a majority of the American people want action."

Mr. Helms, who has refused to hold a hearing on the nomination, opposes Mr. Weld, a fellow Republican, as too soft on drugs to serve in a country heavily involved in narcotics trafficking.

Mr. Lugar's comments, on ABC's "This Week" television program Sunday, portend another escalation in a nomination fight that the politically moderate Mr. Weld has vowed to turn into a "land war" against the powerful conservative chairman. Mr. Lugar said the nomination fight was causing "civil war in the Republican Party."

Mr. Weld "has the right to be heard, so that his views are clarified and so that Mexicans have a pretty good idea of what they're getting," Mr. Lugar said. *(WP)*

#### *States Face Pressure On Health Coverage*

WASHINGTON — The good news is that the five-year budget deal waiting for President Bill Clinton's signature gives states a free hand and $24 billion in new money to extend medical coverage to millions of uninsured children. The bad news: State officials may be unprepared to assume control of the largest expansion in health-care services in 30 years.

With relatively few strings attached to the money, America's governors say they are eager to begin creating a health-care system capable of insuring children who lack coverage. But the first installment of nearly $5 billion becomes available Oct. 1, which leaves only two months for state officials to largely rework the way they have been delivering medical coverage to the poor for nearly three decades.

The new law does not penalize states that do not spend the money when it is doled out Oct. 1. But it creates a sense of need for state officials to quickly come up with plans to purchase insurance for children, for whom a month's delay can turn an untreated ear infection into permanent hearing loss.

The Congressional Budget Office estimates that the additional resources can provide medical coverage for as many as 2.2 million uninsured children annually, while the Children's Defense Fund estimates that the number could climb as high as 5 million. *(WP)*

#### *A Quest for Balance On Greenhouse Gases*

WASHINGTON — Trying to build support for his environmental agenda, Mr. Clinton told Fortune 500 business leaders Monday that he was looking for ways to combat global warming without hurting the country's economy.

The president renewed his call for "realistic but binding limits" on the greenhouse gases blamed for global climate changes. A global convention being negotiated for signing this December in Kyoto, Japan, aims to cut back emissions of carbon dioxide and other gases.

Mr. Clinton met with 10 business executives as part of an effort to build U.S. support for steps to reduce emissions. Businesses and conservative lawmakers have warned that the limits could cost jobs.

"I believe there should be realistic but binding limits to emissions of greenhouse gases," he said. "I believe that we have to do it in a way that keeps our economy growing." *(AP)*

#### *Quote/Unquote*

Suzanne Kane, 15, on the move by Congress to increase the tobacco tax, in part to discourage teenagers from taking up the habit: "Whether you're smoking to be cool or you're chain-smoking, 15 cents is not going to make a difference." *(AP)*

# *Showdown in Paradise: Outsiders Sue to Use Parks in Rich Suburbs*

By Blaine Harden
*Washington Post Service*

GREENWICH, Connecticut — There is a spot of trouble here in Cheever country, the suburban promised land where moneyed executives ride the train to Manhattan and return each evening to sprawling homes and cool breezes off Long Island Sound.

It started when a law student, Brenden Leydon, went for a jog.

His run began in the not-quite-so-tony adjacent town of Stamford and was brought up short at a guard shack that stands vigil at the entrance to Greenwich Point Park, a handsome spit of beach and picnic tables, of shorebirds and wild beach rose.

Mr. Leydon was not a resident of Greenwich. He did not have the park pass that only Greenwich residents can get. So he was denied access to the town park. Being a young man, just 27 at the time, Mr. Leydon shrugged it off, figuring he could sneak into the park some other day. But he could not.

So, being a lawyer in training, he sued. The lawsuit will be heard this fall in Superior Court in Stamford. And now, at the height of beach season, it is raising nettlesome questions of class bias, of snobbery, even of racism for the 58,000 residents of one of America's oldest and richest suburbs — a gilded suburb of the kind immortalized in the stories of John Cheever.

Worth magazine this year listed Greenwich, where just 7.2 percent of the population is nonwhite, as the 40th richest town in the nation. That is up from 87th the year before, mostly because of an explosion of profits on Wall Street.

Greenwich, the Connecticut bedroom community that is closest to Manhattan, has become a trendy home for young brokers who have struck gold in the bull market. Average home sales here this spring topped $1 million.

"We are supposed to be one nation under God indivisible, but when it starts to affect your back yard, people throw that principle out the window," said Mr. Leydon, who filed his lawsuit two years ago.

"Since I filed the suit, I have had a number of Greenwich residents tell me they wouldn't particularly care if I came in, but it was who would want to come in behind me that they would be worried about."

Mr. Leydon is white and said he believes that those comments were circuitous ways of referring to blacks who live in neighboring Stamford and Port Chester, just across the New York State line.

Greenwich, of course, is not the only well-heeled community to be forced to wrestle with complaints of elitism. From Cape Cod to Puget Sound, Lake Tahoe to the New Jersey shore, affluent municipalities and rich private estates have been challenged again and again by outsiders demanding access to the strip of land that runs along the edge of oceans, sounds and major lakes.

Although there is no hard and fast national legal precedent guaranteeing access, courts and legislatures in many states have been inclined in recent years to give outsiders limited pedestrian access to the beach.

Out in Greenwich Point Park last week, as they strolled between Eagle Pond and a stretch of western Long Island Sound that affords a view of the Manhattan skyline, town residents denied any racist or elitist intent in restricting access to park. They were painfully aware of Mr. Leydon and his lawsuit.

"It is a legitimate lawsuit," conceded John Kennedy, a retired engineer from Greenwich who was walking with his wife. "But it is an annoyance."

To control the annoyance, townsfolk have set up a legal fund, which has reportedly collected hundreds of thousands of dollars. They also have hired a prominent Hartford lawyer, Ralph Elliot, who teaches at the University of Connecticut Law School.

"It is our belief that the Greenwich ordinances which the plaintiff is attacking are both legal and constitutional, and that is the beginning and the end of the inquiry," Mr. Elliot said.

Asked whether Greenwich's policy of denying outsiders access to its beach is snobby, he explained: "This case is about what's legal and what's constitutional, not what policy is good or bad. Policy questions are for legislative bodies; legal questions are for courts."

Greenwich says it has the right to restrict access to its park because, since the town bought the 147-acre site in 1944, it has refused federal or state funds to keep it up.

"We've never taken a dime," said a Greenwich first selectman, Tom Ragland.

"We didn't buy this thing, the park, for everyone. Charity begins at home, by and large."

# AMERICAN TOPICS

### California Registry Is Pulled Over For Issuing Bogus Driver's Licenses

In California, 79 employees of the Department of Motor Vehicles have been fired and two have been jailed after investigators found that thousands of fraudulent driver's licenses had been issued by clerks in exchange for bribes of as much as $1,000 each.

Some of the licenses bear bogus Social Security numbers or phony identities, but if checked by a police officer, they appear to be valid.

Increasingly in the United States, the driver's license is a basic identification document, a so-called gateway card for other forms of identification. Licenses are needed for everything from applying for welfare to buying a gun to checking baggage at an airport. The California card incorporates numerous safeguards to make tampering or counterfeiting difficult. An unintended result: People who need licenses and can't get them legitimately — undocumented immigrants, people with revoked licenses, some felons and others — increasingly try to buy them by bribing clerks.

### Short Takes

**A lone guide has begun offering daily tours** of Manzanar, one of the camps where Japanese-Americans were interned during World War II. The tours are the latest step in a long campaign to make the California camp a national park so that the wartime episode — in which 120,000 people of Japanese ancestry, most of them U.S. citizens, were interned in the panicky days after the bombing of Pearl Harbor — will not be forgotten.

**A tobacco ban has taken effect** at Indiana's 32 penal facilities. Other states are watching to see how it works. Tensions reportedly are high behind bars, where a pack of cigarettes is akin to currency. Opponents of the ban predict that it will lead to an increase in black-market trading of tobacco products once sold at prison commissaries.

**Dennis Saban's car-rental customers** know where to find his business number: in the Yellow Pages, near the top of the list. Mr. Saban owns A-Aaable Rentals, a name he chose 27 years ago to keep his business in Phoenix, Arizona, high in the phone-book listings. But the regional phone company, U S West, recently said that so many A's created dishonest competition. So Mr. Saban filed suit and won an injunction ordering the inclusion of A-Aaable Rentals in the next edition of the Yellow Pages. Said Mr. Saban: "Their regional manager comes to my office and says, 'What are you going to do, sue the phone company?' So that's what I did."

*Brian Knowlton*

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| ■ Romania Investment Summit | Bucharest | *October 29-30* |
| ■ Oil & Money Conference | London | *November 18-19* |
| ■ Southern Africa Trade & Investment Summit | Gaborone | *November 18-19* |

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# Hun Sen Asks Legislators to Return

## *He Offers Guarantee of Safety, but They Seek ASEAN Shield*

*Compiled by Our Staff From Dispatches*

PHNOM PENH — Hun Sen called Monday for exiled legislators to return home by Wednesday to take part in a vote on replacing the country's ousted co-prime minister.

The Cambodian strongman, who overthrew the first prime minister, Prince Norodom Ranariddh and seized power in a July 5-6 coup, said that he would guarantee the safety of the legislators.

But opposition politicians who fled the country after the coup replied that they did not trust Mr. Hun Sen and wanted a security force of the Association of South East Asian Nations to ensure their safety in their homeland.

Mr. Hun Sen, the second prime minister, made his comments after a meeting over the weekend with envoys from ASEAN who were trying to find a way to resolve the crisis in Cambodia.

The invitation on Monday was the first official indication of when the vote to confirm Foreign Minister Ung Huot as first prime minister would go forward.

Mr. Hun Sen's statement, read on national radio, appealed to exiled legislators to "join the meeting of the National Assembly which is expecting to vote on your confidence in the candidate for nomination of first prime minister of the Kingdom of Cambodia on Wednesday."

Cambodia was now calm and the Parliament was functioning normally, he said. But members of the newly formed opposition movement, the Union of Cambodia Democrats, said at a news conference in Bangkok that they did not trust Mr. Hun Sen and his guarantee.

Darren Whiteside/Reuters

**Hun Sen praying Monday at a Phnom Pehn hospital wing opening.**

The opposition movement is made up of the Khmer Nation Party of Sam Rainsy, the Funcinpec party of Prince Ranariddh, the Khmer Neutral Party and the Buddhist Liberal Democratic Party.

"We do not trust the promise of Hun Sen to guarantee our safety, so we will return when there is a mechanism set up to guarantee our safety," said Ahmed Yahya, a Funcinpec member of Parliament who fled to Thailand last month.

Those who left included about 23 Funcinpec lawmakers and at least three members of Parliament from the Buddhist Liberal Democratic Party, Mr. Sam Rainsy said.

He said others were in hiding in Cambodia.

Human rights workers say about 40 opposition politicians were killed in a crackdown after the fighting in the capital in July.

Mr. Sam Rainsy said the opposition politicians would consider returning to Cambodia if ASEAN security forces agreed to provide security and escort them back.

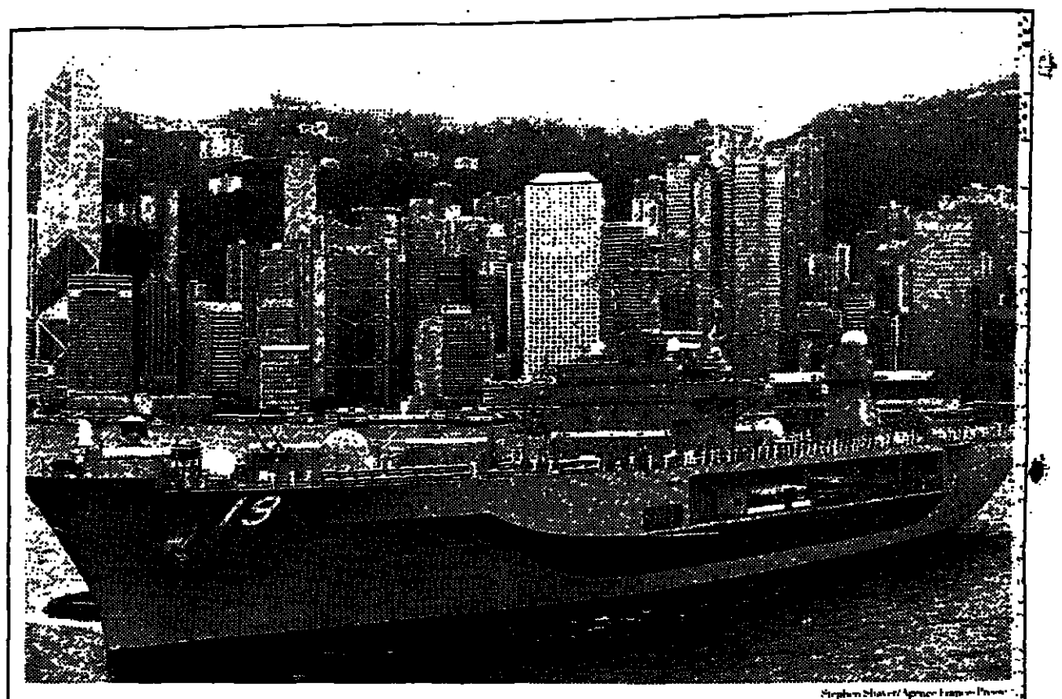
"We can consider some additional or alternative guarantee," he said.

Cambodia is due to hold an election next year.

The United Nations sponsored elections in Cambodia in 1993, after which Prince Ranariddh and Mr. Hun Sen formed an uneasy coalition.

ASEAN foreign ministers said they wanted Cambodia to comply with its constitution and hold free and fair elections as planned next year.

Prince Ranariddh left Cambodia on the eve of the fighting in July. Mr. Hun Sen has said he is free to return, but that he must face trial for conducting illegal negotiations with the Khmer Rouge guerrillas. *(AFP, Reuters)*



Stephen Shaver/Agence France-Presse

**The Blue Ridge arriving in Hong Kong on Monday. U.S. warships will continue to make regular stops there.**

## *U.S. Warship Visits Chinese Hong Kong*

*Reuters*

HONG KONG — The flagship of the U.S. Seventh Fleet steamed into Hong Kong on Monday and invited the People's Liberation Army to lunch.

The amphibious command ship, the USS Blue Ridge, was the first foreign warship to visit these waters since Britain handed its former colony over to Beijing five weeks ago.

Sailing into the world's busiest harbor in the wake of the worst typhoon in 14 years, the Blue Ridge took a berth at Ocean Terminal, normally used by cruise liners.

Vice-Admiral Bob Natter, commander of the Seventh Fleet, said the U.S. Navy would continue to make 60 to 70 port calls a year at Hong Kong, despite the territory's July 1 reunification with communist China.

The ships stock up on supplies, and the sailors go ashore, to visit Hong Kong's shopping malls and nightlife spots, bringing $50 million a year into the local economy.

Officers from the Seventh Fleet planned to meet China's garrison chief in Hong Kong, Major-General Liu Zhenwu, Admiral Natter said.

"We have scheduled an official call tomorrow to visit the PLA garrison commander," he said. "We anticipate entertaining them to lunch on board tomorrow as well. We look forward to that very much."

## BRIEFLY

### *10th Victim of Landslide Found*

THREDBO, Australia — Rescue workers on Monday found the body of a 10th victim of a landslide that buried two ski lodges. Fears of new slides hastened efforts to find the eight people who are still missing.

Nineteen people were trapped under the mud and wreckage when a landslide struck the Thredbo resort 185 miles (300 kilometers) south of Sydney on Wednesday, and only one person has been found alive in the rubble.

Late Monday, the police verified that a woman believed to have been caught in the landslide was alive and well at her country home in New South Wales. Her husband had reported her missing and then failed to notify the authorities when he located her after the slide. *(AP)*

### *Gunmen Kill 8 Pakistan Muslims*

LAHORE, Pakistan — At least eight Shiite Muslims were shot and killed Monday by two unidentified gunmen in the town of Shorekot in Pakistan's Punjab Province, heightening sectarian tensions in the area, the police said.

The gunmen fired from a motorcycle at shops belonging to Shiite Muslims in a market and later targeted a Shiite group in a suburb of the town, a police official said. Seven other people were wounded in the attacks. *(AFP)*

### *Top Chinese Aide Visits Taipei*

TAIPEI — A senior Chinese official arrived in Taiwan on Monday for a nine-day visit, becoming the highest-level mainland representative to visit the island since Taipei-Beijing relations turned sour in 1995.

Liu Gangqi, deputy secretary-general of the semi-official Association for Relations Across the Taiwan Strait, said after arriving in Taiwan that he and his delegation of 30 scholars and experts, had been invited by Taipei's China Modernization Promotion Foundation.

They will attend a two-day seminar to discuss the modernization of China. *(Reuters)*

### *Train Blast in India Injures 15*

NEW DELHI — At least 15 people were injured Monday in an explosion on a passenger train in southern India, news agencies reported. The authorities had not yet determined the cause of the blast.

More than 12 people, including a junior minister, were injured when another train derailed near the capital, New Delhi, the Press Trust of India said. *(Reuters)*

### *For the Record*

**Chinese zoologists** say they have discovered a colony of about 30 giant pandas living in the wilds of northwestern Gansu province. Only 1,000 pandas are believed to remain in China. *(AP)*

**Landslides and floods** touched off by torrential rains in South Korea over the past two days have killed nine people and left two missing, officials said Monday. *(Reuters)*

**A total of 102 Chinese** said Monday that they plan to sue the Japanese government for damage caused by its germ warfare unit during World War II, demanding both an apology and compensation from Tokyo. *(AFP)*

**Phoolan Devi**, India's "Bandit Queen" who is now a member of Parliament, threatened to kill herself to protest the revival of criminal charges against her. Miss Devi, who was accused of gunning down 22 high-caste Hindu men, was jailed for 11 years and released in 1994. *(Reuters)*

# Refugee Alarm Turns Out to Be a Hoax

*Agence France-Presse*

HONG KONG — Police were sent on a wild goose chase on a sparsely populated island of Hong Kong on Monday for as many as 600 people who, according to a group of Vietnamese illegal immigrants, had sneaked ashore during the night.

Dozens of police, backed by a helicopter and marine patrol units, scoured the shoreline and rugged hills of Lantau, west of Hong Kong Island.

But the search was called off late Monday after it appeared that the tip was a hoax. Eleven people were rounded up during the day, according to the Hong Kong Security Bureau. The police said only eight had been detained.

Some of the Vietnamese said they had arrived with as many as 600 people aboard a freighter that had set off from Quang Ninh in Vietnam on July 23, the police said. Most came ashore late Sunday near Chek Lap Kok, on the northern Lantau coast, where Hong Kong's new airport is being built, according to this testimony. A few hours later, some of the detainees said, others came ashore from the same vessel at Mui Wo, a port on Lantau's southern coast.

"As a result of what they told us, we conducted an operation at Chek Lap Kok and checked out the coastline around Lantau using a flying services' helicopter," said a Lantau police official, Steve Carruthers. "There was nothing untoward or suspicious."

A few hours after dark, the police called off the hunt, RTHK radio said.

# *Jiang Set to Attack Party Hard-Liners*

*Reuters*

BEIJING — A first draft of the address to be given by President Jiang Zemin at a key Communist Party congress next month contains an attack on hard-line Marxists opposed to badly needed economic reforms, Chinese sources said Monday.

The bid by the president and Communist Party chief to win support for new, sweeping reforms at the 15th party congress scheduled for late September or early October echoes the anti-leftist call by Deng Xiaoping, Mr. Jiang's mentor and the late paramount leader, in 1992 that triggered China's economic boom.

Diplomats have voiced surprise at signals indicating that Mr. Jiang has felt a need to confront hard-liners, believed to be a spent force since reform ignited the economy.

"We must be on guard against rightism, but priority should be given to vigilance against leftism at this juncture," a party source quoted Mr. Jiang's report as saying in a reference to Mr. Deng's policy of maintaining a balance between reformers and Marxist extremists.

Mr. Jiang's battle cry is aimed at enacting difficult reforms that would reduce the role of the state sector in the economy and could force thousands of flagging state enterprises toward bankruptcy.

The deputy prime minister and economic czar, Zhu Rongji, who has emerged as the strongest candidate to replace Li Peng as prime minister next year, is determined to reform state enterprises but only if the economy is stable, the sources said.

He is in favor of slashing the number of employees of state firms enjoying cradle-to-grave welfare and of improving the efficiency of such enterprises, the sources said.

State companies still form the backbone of China's economic system, although Beijing has tried gradually to reduce their role while allowing private and collective enterprises. About 70 percent of the country's 100,000 state companies are losing money and are struggling to adapt since the country abandoned Soviet-style central planning and embraced market reforms almost two decades ago.

Mr. Jiang, who is also chairman of the party's Central Military Commission, must use the congress to set his own stamp on party politics and confirm his position as Mr. Deng's heir, diplomats and Chinese analysts said.

The congress, which occurs every five years, is expected to set policies for China as it begins a new era without Mr. Deng and other veterans of the revolutionary generation of Mao Zedong.

Mr. Jiang's report would pay homage to Mr. Deng's program to build socialism with Chinese characteristics, the sources said, referring to Mr. Deng's phrase justifying such un-Marxist concepts as free markets, private enterprise and stock markets.

ALAN FRIEDMAN
*Global Economics Correspondent*

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## EUROPE

# Oldest Person in World Is Dead in France at 122

By Charles Trueheart
*Washington Post Service*

PARIS — Jeanne Louise Calment, officially the oldest person in the world, died Monday near Arles at the age of 122.

Officials at the nursing home where she was taken when she was 110 gave no specific cause of death for Mrs. Calment.

She was confined to a wheelchair after a fall nine years ago, was nearly blind and very hard of hearing.

She gave up a two-cigarette-a-day habit a few years ago — not for health reasons, a doctor said, but because she could no longer light up without asking for help.

In her last decade, Mrs. Calment became a French institution, regularly described in the news media as the "doyenne of humanity."

Every year on her birthday, Feb. 21, she regaled reporters with quips about her secret of longevity. They changed every year and included laughter, activity and "a stomach like an ostrich's."

Her most memorable explanation was, "God must have forgotten me."

Despite her faltering physical faculties, Mrs. Calment continued to show impressive mental acuity and high spirits. "I've only ever had one wrinkle, and I'm sitting on it," she said when she turned 110.

For her 121st birthday last year, she released "Mistress of Time," a four-track CD of her spoken reminiscences recorded over a background of rap and other tunes.

The retirement-home supervisor who brokered the recording contract was subsequently removed from her post after charges that her illustrious client had not fully understood what was involved.

The Guinness Book of World Records pronounced Mrs. Calment the world's oldest person after the previous record-holder, 120-year-old Shigechigo Izumi, died in Japan in 1986 — by coincidence on Mrs. Calment's 111th birthday.

The world's new longevity champion, Guinness said Monday, is a Danish-born American, Christian Mortensen, who lives in San Rafael, California. He will turn 115 the week after next.

Mrs. Calment was born in Arles in 1875, before the invention of the light bulb and the phonograph, the airplane and the automobile.

According to a legend amplified by the French press, as a young teenager she met Vincent Van Gogh when the artist spent a year in Provence and bought his canvasses at a local art-supply shop owned by her future in-laws.

Prompted by reporters, she described Van Gogh as "very ugly, ungracious, impolite, sick." "We called him a madman," she said.

She turned 40 during the first months of World War I and reached the retirement age of 65 at the outbreak of World War II.

She was married in 1896 and went on to outlive her husband by 55 years, their only child by 63 years and their only grandchild by 37 years.

Mrs. Calment was even more celebrated in France for having outlived a much younger notary, who bought her two-bedroom apartment in 1965 under a special arrangement — the "viager" system — by which older people sell their property at a price well below market in exchange for the right to occupy it and collect payments from the buyer as long as they live.

The frustrated buyer died a year ago, having paid about four times the value of the apartment.

One year, Mrs. Calment sent him a note that said: "Forgive me for still being alive but my parents didn't raise second-rate goods."

Universal Pictorial Press
John Hume, Ulster's most prominent Catholic leader.

# Ulster Politician Looks South

## *Hume May Run for Presidency of Irish Republic*

By James F. Clarity
*New York Times Service*

DUBLIN — John Hume, the most influential and prominent mainstream Roman Catholic leader in Northern Ireland, is seriously considering running for president of the Irish Republic, in the south.

Mr. Hume said in an interview that officials of Ireland's two largest parties had offered to make him their candidate in the Oct. 30 election, which would almost certainly allow him to run unopposed.

The current president, Mary Robinson, was elected to a seven-year term in 1990 and is not seeking re-election because she has accepted the United Nations post of high commissioner for human rights.

The Irish constitution makes citizens of the entire island of Ireland eligible to run for president. No Northerner has ever been president, although Northerners have held seats in the Parliament in Dublin.

The main Irish parties, Fianna Fail and Fine Gael, want to avoid a costly and possibly volatile election campaign.

Mr. Hume said in the interview in Dublin last week that, while he has not made up his mind, he was tending toward accepting the offer.

Two months ago, he brushed aside suggestions that he run for president of Ireland, saying that he preferred to stay involved in the Northern Ireland peace effort, which he started in 1993 with Gerry Adams, the president of Sinn Fein, the political wing of the Irish Republican Army.

With a new IRA cease-fire starting its third week, Sinn Fein is likely to be admitted to the next round of peace talks in Belfast next month. It had been barred from the talks after the Irish Republican Army broke a previous cease-fire. Helping to bring Sinn Fein to the negotiating table has been Mr. Hume's highest priority in recent years.

If Mr. Hume were elected president of the Irish Republic, it would change the face of politics both in Ireland and in the British province of Ulster, where he is idolized by many Catholics and respected by most Protestants. He has been a member of the British Parliament since 1983 and of the European Parliament in Strasbourg since 1979. All presidential speeches and foreign trips have to be cleared by the government, but the government could authorize him to stay involved in the Northern peace talks. The presidency is largely ceremonial.

He said in the interview that he had begun recently to think of what kind of a presidency he would run. "I would be a super-salesman for Ireland," he said, "trying to bring investment and jobs here."

He discussed his plans in a meeting in Dublin last week with friends, and with the U.S. Senator Edward Kennedy, Democrat of Massachusetts; Jean Kennedy Smith, the American ambassador to Dublin, and Tim Pat Coogan, the historian and author of several books on Irish politics. At the meeting, his friends told him that as president he would be an important symbol of Irish unity and peace.

# New Disaster in Italy Adds to Railroad Woes

*The Associated Press*

ROME — An express train south of Rome slammed into a car crossing the tracks Monday, killing two people and injuring one, news reports said. The accident blocked a major southern rail link that was just getting back to normal after two days of chaos.

Even before evening newscasts announced the latest accident, opposition politicians were demanding that railroad executives and the transport minister resign for leaving thousands of passengers stranded for hours over the weekend.

In the latest disaster, news agencies reported, a train traveling between Rome and the Benevento in the south hit a car at a crossing near Frosinone, about 80 kilometers (50 miles) south of the capital. Two occupants of the car died instantly and a third was seriously injured, the reports said.

Rail travel in Italy was already a nightmare before Monday's accident. A derailment on Saturday, followed by a crane accident on Sunday, blocked north-south traffic over the weekend.

State television newscasts and newspapers were filled with interviews from angry passengers, who said they were abandoned under a hot sun with no information available.

A consumer group demanded that each stranded passenger be reimbursed a million lire ($560). There was no immediate response from the railroad.

The transport minister in Prime Minister Romano Prodi's center-left government, Claudio Burlando, said he had no intention of resigning.

He blamed the railroad's problems on decades of neglect.

## BRIEFLY

### *Old Bombs Delay Flood Work*

FRANKFURT AN DER ODER, Germany — Soldiers building a backup dike along the swollen Oder River in eastern Germany had to stop work Monday when unexploded World War II bombs were found in a gravel pit.

Workers digging up gravel for a secondary levee found seven small German-made bombs, a mine and several grenades in the pit near Reitwein, a village in the Oderbruch flood plain, north of Frankfurt an der Oder.

Elsewhere along the 160-kilometer (100-mile) dike, soldiers and an army of volunteers patched up small ruptures late Sunday and early Monday, and officials said the river was continuing to recede. *(AP)*

### *EU Bans Fish From 3 Nations*

BRUSSELS — The European Commission, citing health and safety concerns, said Monday that it had banned fishery products from Bangladesh, India and Madagascar.

The decision to halt imports of products such as shrimp and squid from the three countries, last year valued at some 320 million European currency units ($338 million), is temporary and will be reviewed before Nov. 30, the European Union executive said.

"The decisions result from visits by inspectors from the commission's Food and Veterinary Office, who recently inspected fish processing plants in the three countries concerned," it said. The inspections were said to have shown deficiencies in hygiene and processing. *(Reuters)*

### *2 Cosmonauts Cleared to Fly*

BAIKONUR, Kazakstan — Two Russian cosmonauts got a clean bill of health and the final go-ahead to blast off Tuesday on a mission to repair the troubled Mir space station.

The commander, Anatoli Solovyov, said Monday that he was confident he and his colleague, Pavel Vinogradov, could restore full power to the space station, which has been running on about half power since a June 25 mishap.

A Soyuz-TM-26 space capsule carrying the two cosmonauts will take off Tuesday night. *(AP)*

### *New Cases of Mad Cow Disease*

LONDON — The British government said Monday that 21 people — an increase of two since last month — had been struck down by a new variety of brain illness linked to mad cow disease.

Last month, the government reported 19 suspected and confirmed cases of the new variant of Creutzfeldt-Jakob disease.

The Edinburgh-based surveillance unit reports every suspected case of the brain-wasting disease, which usually affects about one in a million people. *(Reuters)*


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## INTERNATIONAL

# Israelis Lay Blame At Arafat's Door

## *His Ambivalence Was a Factor In Suicide Bombing, They Say*

By Steven Erlanger
*New York Times Service*

WASHINGTON — In the welter of outrage and agony that has followed the suicide bombings in a crowded Jerusalem market, the most piercing Israeli allegation has been that Yasser Arafat bears primary responsibility. The Israeli government says the Palestinian leader has made angry or incendiary comments, failed to condemn such statements by others and refused to cooperate fully on security matters.

Israel's delegate to the United Nations, Dore Gold, said immediately after the bombings on Wednesday that "preliminary evidence" on the source of the bombing pointed to Hamas, the militant Palestinian group that opposes peace with Israel. "However, we're pointing the finger of blame to the Palestinian Authority," Mr. Gold said, referring to the governing body that Mr. Arafat heads.

No one is suggesting that Mr. Arafat authorized or gave a "green light" to the bombers. Mr. Arafat was quick to respond to the bombing, saying, "I condemn it completely, these terrorist activities, because it's against the peace process."

But Prime Minister Benjamin Netanyahu of Israel has accused Mr. Arafat of doing little to stop violence, creating an atmosphere in which Islamic militants feel free to stage attacks.

[An aide to Mr. Arafat said signs now pointed to militant groups outside the Middle East, Reuters reported from Jerusalem.

["There are too many signs that these are people who came from abroad," said Ahmed Tibi, adding that pictures of the perpetrators published in the Palestinian press drew no response.

[Mr. Netanyahu countered that even if the bombers came from outside, they had to be assisted by Arab militants operating under Mr. Arafat's nose.

["It is a reasonable assumption, based on previous incidents, that wherever they came from, they were assisted by a local group and a local infrastructure," Mr. Netanyahu said in Jerusalem.]

Senior American officials said Mr. Arafat was "shocked" by the attack and understood that it was also aimed at him, despite claims that he has been inconsistent in cracking down on terrorists.

"One can't expect 100 percent results when fighting terrorism," Samuel Berger, the national security adviser, said in a U.S. television interview. "But there can be a total, 100 percent unrelenting effort. I think the effort's been uneven. It has to intensify."

Mr. Gold asserted that after an American-brokered agreement in January on the withdrawal of Israeli troops from much of the West Bank city of Hebron, the Palestinian Authority "failed to fulfill any of its commitments," especially in security. "Had they fulfilled those commitments — in our judgment — this type of incident wouldn't have occurred," he said.

The Palestinians, in return, say Israel violates its commitments under the Oslo accords on greater Palestinian self-rule, creating political and economic despair in which terrorism thrives.

To bolster the Israeli case, Mr. Netanyahu's office and other pro-Israel groups keep a running list of Palestinian statements that are considered incendiary, called "golden nuggets" by the Government Press Office, and make them available on the Internet.

But even Israeli officials and diplomats, speaking on the condition of anonymity, say Mr. Arafat has been careful about his own public statements, especially this year, since the Hebron accords. Sometimes he has been angry or frustrated, but rarely incendiary. More problematic, they say, is his refusal to condemn inflammatory statements or actions by others, including his own cabinet ministers or the Voice of Palestine radio.

"While there is a level of Palestinian frustration that he, as their leader, must acknowledge," an Israeli diplomat said, "there are tacit messages. If he chooses not to say something, that carries messages, too."

Under the Hebron accords, the Palestinians promised to prevent incitement and hostile propaganda. More important than the words, Israelis say, is Mr. Arafat's open strategy of providing and withholding security cooperation as a form of leverage on Israel.

The Israelis have documented a decline in security cooperation from the Palestinians since the uproar over an Israeli housing project at Har Homa in Jerusalem in March, followed by a Hamas suicide bombing in Tel Aviv on March 21. The Palestinian Authority has released "dozens" of Hamas and other extremists from detention in what Israel calls "a revolving door policy," while failing to extradite terror suspects or confiscate illegal weapons.

They say Mr. Arafat has done nothing about allegations that the Palestinian police in the West Bank city of Nablus ordered attacks on Jews.

Daniel Mihailescu/Agence France-Presse

An Israeli bulldozer demolishing illegally built Palestinian housing in East Jerusalem on Monday.

# Aide Says Clinton Fondled Employee

*Agence France-Presse*

WASHINGTON — A former White House employee told a friend that President Bill Clinton kissed and fondled her in his private office in 1993, Newsweek reported Monday.

The report quoted a friend of Kathleen Willey, who has been subpoenaed to testify in a sexual harassment case against Mr. Clinton brought by a former Arkansas state employee, Paula Jones.

Newsweek interviewed Linda Tripp, a White House employee who said she bumped into Mrs. Willey after the 1993 meeting, and said Mrs. Willey indicated Mr. Clinton took her into his private quarters adjoining the Oval office.

After the encounter, Mrs. Willey was "disheveled, her face was red and her lipstick was off," Ms. Tripp was quoted as saying in the report. "She was flustered, happy and joyful."

Mrs. Willey, 51, who was a volunteer before being hired at the White House, was not at all "appalled" after the alleged meeting, according to Ms. Tripp.

White House officials have expressed anger over the move to subpoena Mrs. Willey in connection with the Paula Jones case, saying it was an attempt to further embarrass the president.

But lawyers for Ms. Jones, who claims that Mr. Clinton asked her for sex while he was governor of Arkansas, say Mrs. Willey's testimony could show a pattern of sexual harassment.

At the time of the alleged encounter at the White House in 1993, Mrs. Willey was seeking a job because of heavy debts incurred by her husband, according to Newsweek.

## BRIEFLY

### *German Minister Tells Iran Not to Exclude Ambassador*

BONN — Germany warned Iran on Monday that EU countries would send their ambassadors back to Tehran only if it agreed not to exclude Germany, with whom relations are tense.

"The German government believes, along with other member states of the European Union, that discrimination regarding the return of the ambassadors is out of the question," Foreign Minister Klaus Kinkel said.

EU ambassadors were called home after a Berlin court suggested in a ruling last April that top Iranian leaders were linked to the 1992 murder of four Iranian dissidents in Berlin. The departing Iranian president, Hashemi Rafsanjani, announced late Saturday that his country would accept the return of certain EU ambassadors to Tehran, but left Germany out, saying it should withdraw its claims.

Mohammed Khatami, the moderate cleric who was sworn in as Iran's fifth president on Monday, pledged to strive for "détente" in the Islamic republic's relations, with other countries. *(AFP)*

### *France Rejects Island Rebels*

PARIS — France on Monday rejected demands from separatists on the Comorian island of Anjouan to return to French colonial rule, saying any solution to the crisis should respect the Indian Ocean archipelago's integrity.

Yves Doutriaux, a spokesman for the Foreign Ministry, expressed France's hope that the Comoros government could find solutions to Anjouan's social and economic problems through dialogue. He said the Organization of African Unity would probably have to step in if the crisis continued.

Thousands of protesters demonstrated on Anjouan on Sunday in favor of a return to French rule after President Mohammed Taki asked the islanders to submit proposals for ending a constitutional crisis caused by their demand for secession. The separatists want a status similar to that of the adjoining island of Mayotte, which voted to remain part of France in the 1970s. *(Reuters)*

### *Explosion Hits Havana Hotel*

HAVANA — A small explosion, possibly caused by a bomb or firework, damaged the lobby of central Havana's top hotel early Monday, witnesses said.

Roberto Koppens, a Dutch tourist, said he arrived in the lobby of the Melia Cohiba hotel several minutes after an explosion and saw smoke and minor damage to furnishings. He also said he could smell gunpowder.

The explosion at the Cohiba came just three weeks after two bombs rocked the lobbies of two other Havana hotels, the Nacional and the Capri, causing damage and slightly wounding three people. Officials at the Cohiba, which is state-owned, declined to comment. *(Reuters)*

# ARABS: *In Lands of Age-Old Monolithic Rule, Signs Appear of Nervous Steps Toward Democracy*

Continued from Page 1

mocracy as they sometimes seem to the outside world.

Kuwait's increasingly assertive legislature is but one example. Though not without some obvious shortcomings, national or local elections have been held in the last year in Yemen, Algeria, Morocco and Lebanon.

Jordan is holding legislative elections in November, for the third time since King Hussein reinstated Parliament in 1984, after a 10-year hiatus. Municipal elections are to be held later this year in Qatar, the Gulf state whose emir deposed his own father in 1995.

One of the most striking developments concerns Iran, the largest non-Arab state in the Middle East, where a relatively moderate cleric, Mohammed Khatemi, scored a startling upset in May's presidential contest over the candidate of religious conservatives who dominated Iranian politics since the 1979 Islamic Revolution.

Even in moderate Arab states friendly to the West, autocratic leaders face no such challenge. But some have begun to ease political controls, slightly relaxing curbs on the press and permitting the emergence of a growing, if grudgingly tolerated, network of civic groups dedicated to promoting democracy and rule of law.

"We're challenging this notion that there is something in the Arab culture that is essentially undemocratic," said Saad Eddin Ibrahim, an Egyptian sociologist who runs a pro-democracy think tank in Cairo with occasional interference from local authorities. "That is nonsense, absolutely."

A handful of Arab countries have begun the painful process of economic reform, liberalizing trade regimes and dismantling cumbersome state-owned industries in a bid to attract foreign investment.

Many democracy advocates theorize that such steps inevitably will erode the power of the state, opening the door to greater political pluralism and, eventually, genuine democracy.

By and large, however, they are still waiting.

The secret police, rigid censorship, disregard for basic civil liberties and rampant public corruption continue to define Arab political culture.

The Arab leaders have served, on average, for more than two decades. Governments dominate broadcast and print media, either through ownership or stringent licensing requirements; the most respected Arab newspaper, Al Hayat, is published not in the Middle East but in London.

After the collapse of communism in Eastern Europe in 1989, Arabs anticipated "that the winds of change were going to engulf us — let the ruling class tremble," recalled Walid Kazziha, a Syrian-born political science professor at the American University of Cairo. "But they stopped at the borders of Turkey."

Among 19 countries in the region studied by Freedom House, a New York-based group that surveys worldwide democratic trends, all but five are rated "not free." Jordan, Kuwait and Morocco are rated "partly free." Israel is the only country in the region given the rating of "free." Turkey, though considered a democracy, was rated as "partly free" because of military interference in government and the government's alleged violations of human rights, especially of the Kurdish minority.

The absence of democracy in Arab countries has many causes: the authoritarian legacy of Ottoman rule, meddling by colonial European powers in the early 20th century and the continuing struggle with Israel, which Arab leaders long have cited as an excuse to postpone political reforms.

But the most immediate explanation involves the rise of Islamic fundamentalism, whose adherents support the replacement of existing governments with ruling systems that would govern according to a strict interpretation of Islamic religious law.

The fundamentalist movements strongly oppose peace with Israel and are hostile to the West, and some have embraced violence as a means to their goal. In many countries, Islamic movements have emerged as the only credible internal opposition to secular Arab regimes.

The Islamic threat has had dire consequences. Since the assassination of President Anwar Sadat by militants in 1981, Egypt has been governed by emergency laws.

# EUROPE: *Who'll Call Shots?*

Continued from Page 1

within the parameters of the German Constitution and German political convention, total independence of action. With it comes virtual control for the time being over the grand lines of the European monetary order, and the capacity to create economic facts outside the will or influence of Germany's partners. It is exactly this circumstance that could face profound change with the arrival of a European monetary union.

Germany's prime concession to the construction of the EMU and the euro, its planned single currency, has been to turn over its de facto monetary sovereignty to the future central bank. But this was done with confidence both in Bonn and Frankfurt that their EU partners' acceptance of supposedly inflexible convergence criteria and a stability pact to govern economic behavior after introduction of the common currency would result in a European monetary rule book that was a mirror image of Germany's, enforced by a new Frankfurt-based central bank able to pass as the Bundesbank's clone.

In practical terms, from the German point of view, this meant no big changes, no significant surrender of leverage. But since the EU summit meeting in Amsterdam in June, it has been clear that France would push for "something," in the words of Finance Minister Dominique Strauss-Kahn, "that should exist alongside as a counterweight to the European Central Bank."

In the past six weeks, both sides have been exchanging signals that they are willing to talk but without clearly signaling how much power they want or how much they would be willing to give up.

"In Germany," said Kurt Biedenkopf, the Christian Democratic minister-president of the state of Saxony, "the constitution protects the currency from political manipulation. In the French mind, monetary policy is the province of the state. At the moment, we're trying to link these two thought processes through compromise. The result until now is not very sure. If the outcome goes in France's direction, then we'd be turning the Euro into a political currency."

The No. 2 official in Germany's Finance Ministry, Juergen Stark, has spoken of the possibility of an informal club for coordination and cooperation but insisted last month that "there will be no 'economic government' in the narrow sense of the word." Economic policy, he said, "is not going to be made a communal thing."

Gerhard Schroeder, the likely Social Democratic candidate for chancellor in the October 1998 elections, has also made it clear that Mr. Jospin's government would find no ally in him for watering down the Germans' notion of how monetary policy is to be made.

"The French attempt to turn the European Central Bank into the vassal of a political body breaches the Maastricht treaty," Mr. Schroeder said. "In Germany, no one would accept nibbling at the independence of the bank, because that would push international investors out of the mark."

Mr. Jospin's cabinet ministers say France no longer uses the phrase "economic government" to describe what it wants, settling for the moment for formulations like one last week from Foreign Minister Hubert Vedrine, who talked about the need for "real politically responsible people who are able to make real decisions on the European level."

Whatever this meant precisely, Eddie George, governor of the Bank of England, said he thought the markets had already decided on its significance. Le Monde quoted him as saying that investors had "the perception that the EMU process is now determined more by politics than serious economic considerations."

# ELDERLY: *A Change in Attitudes Casts Shadows Over Japan*

Continued from Page 1

across the globe, Japan in one sense seems to be the best positioned of all major countries.

It has a flexible and caring system that might be able to cope with retirement of the baby boomers: the family. If retirees can depend on their children for care, the nation is likely to survive the demographic upheaval relatively smoothly.

Yet in the winding alleys of little towns like Omiya, a farming community in the mist-shrouded hills of the Kii Peninsula nearly 300 kilometers (200 miles) southwest of Tokyo, the mood is one of disquiet.

A revolutionary shift in attitudes toward the elderly appears to be under way in Japan and, to some extent, in Korea and China as well. One result is that an increasing share of the elderly in East Asia are growing old apart from their children, and the resulting loneliness, guilt and resentment cast a long shadow on family life across the region.

Even if a bit more than half of people over 65 live with their children in Japan, the proportion has plummeted from 80 percent in 1970. Surveys suggest that Japanese attitudes are changing very rapidly and that many young Japanese feel even less of a sense of debt to their parents than young Americans do.

"Young people are scary," Mrs. Kanbe said, as she kneeled on the tatami mat floor a few feet from her sick husband. "The reason young people can kill humans as if they were insects, or fail to understand the feelings of their own parents, is mostly because they haven't had proper moral education. I'm scared of young people now."

Such comments are particularly surprising because Mrs. Kanbe is, by Western standards, well-cared for by her children. They visit regularly, and her sons have asked her to come and live with them after her husband dies.

Yet she and many elderly women like her are reluctant to move in with their children because they know they would not occupy the traditional throne of the mother-in-law, that of matriarch of the household. Instead, they would be guests, staying by the grace of their daughters-in-law.

Japanese families are sometimes built more on proximity than closeness, and tensions revolve in particular around the traditional axis of home life in East Asia: the relationship between the mother-in-law and daughter-in-law. This relationship is so important that once Deng Xiaoping, during his leadership of China, gave a major speech on mother-in-law and daughter-in-law relations.

Because men are working most of the time and pay little attention to child rearing, it is the two women who spend the days together and who battle over the children's future.

In a growing number of cases, the divide between mother-in-law and daughter-in-law has led elderly people to move in not with their eldest son — the age-old custom — but instead with a daughter.

"Life is upside down now," complained Akemi Hayashi, an 83-year-old widow who lives alone and who has not even received an invitation to live with any of her three children. "The daughter-in-law is on top, and granny is a nuisance."

The term for widow in Japanese, *mibojin*, means "a person who has not yet died," and Mrs. Hayashi's plight, as such a person awaiting death and living alone, sends a shudder down the spine of any traditional Japanese. Yet it is becoming steadily more common. The proportion of elderly people living alone has almost doubled since the early 1970s, to 13 percent.

"There are tough-talking daughters-in-law around here," Mrs. Hayashi said, "so the grannies just sit around in the shadows and complain."

The elderly grumble in part because they grew up steeped in concepts of filial piety that once pervaded not only Japan but also China and Korea and other countries influenced by Confucianism.

In Japan, in fact, filial devotion traditionally ran a close second to loyalty to one's feudal lord, but in the mid-19th century a new government tried to subvert feudalistic loyalties by re-emphasizing the primacy of filial piety.

Schools taught famous stories about filial piety, like the tale of the couple who decided, after running out of food, to kill their child so they would have more to feed their parents. They were rewarded for this when they dug the child's grave and found a treasure.

After World War II, Japan reorganized itself socially and cast off many traditions, like the classes in *shushin*, or moral education, which had drummed the idea of filial piety into schoolchildren. The notion of special reverence for parents faded, and two years ago Japan even abandoned its traditional law decreeing a harsher punishment for the slaying of a parent or parent-in-law than for other murders.

"In the old days we had *shushin* to teach us filial piety," said Masae Minami, 86, the matriarch of a family that runs a clothing store in Omiya. "But now that's all gone. Now it's as if you can do anything you like to parents."

Most of the discussion of extended families in Japan focuses on the benefits to the elderly, but there may also be advantages to the youngest generation. Children in Japan are much more likely than youngsters elsewhere to understand what it means to get old: to see firsthand the frailty, the ill health, the fading memory and finally death. It is often heartbreaking, but it arguably gives the children a richer acquaintance with life.

"The kids here who grow up in a three-generation home, they understand old age," said Tamotsu Wakimoto, principal of Aso Elementary School in Omiya. "They see weakness. They see sickness. And I think generally that's a good thing."

# CHINA: *Doubts Grow About WTO Entry*

Continued from Page 1

ground. Chinese officials have warned that they would not make a comprehensive trade offer if they believed that Mr. Clinton could not enter serious negotiations with them.

China's intentions may also become clearer in a series of high-level visits by American officials to Beijing over the next several months.

Administration officials say Mr. Clinton's national security adviser, Samuel Berger, is considering a trip there later this month, if the latest Middle East crisis recedes. Treasury Secretary Robert Rubin is planning his first trip to China in late September, and that may turn out to be the last opportunity to settle on agreements that could be finalized during Mr. Jiang's state visit.

But Ms. Barshefsky said that she had no immediate plans to travel to China, despite an announcement by China's chief negotiator, Long Yongtu, that she was coming to Beijing soon. Her direct participation in the talks would be the surest sign that a deal was nearing.

Negotiators who have sat at the table with the Chinese for several weeks report that there has been modest progress. For example, the Chinese promised not to provide export subsidies for agricultural products.

At a meeting last month, Mr. Clinton's economic advisers generally agreed that the most that could now be hoped for from Mr. Clinton's summit meeting with Mr. Jiang is a commitment to keep talking, rather than a real accord.

# DOLPHINS: *Peacetime Jobs*

Continued from Page 1

Soon the dolphins, which can live to the age of 55 and eat more than 30 pounds (14 kilograms) of fish a day, were on the edge of starvation. The base here had all but ceased to function. Stipends had disappeared. Dozens of warships bobbed hopelessly on the edge of the sea. Then somebody had the therapy idea.

It was not such a radical notion. Dolphin therapy has been used for years in such countries as Israel, Japan and the United States. Because dolphins are highly sophisticated and intelligent, most physiologists and researchers believe they are better able to communicate with humans than any other species — although their nickname is still only man's second best friend.

"They work with all sorts of children," said Svetlana Matyshovna, a marine physiologist on the base who supervises some of the dolphins' new activities. "Autistic children, shy children. Dolphins can cure many different problems. They make people feel at home. They improve their auras."

Their what?

"Auras," said Mrs. Matyshovna, a 29-year veteran of research at Sevastopol, who also said she had studied levitation and the effect of UFOs on the population, in addition to her dolphin work. "The field around a person that permits him to live and breathe freely," she said, matter-of-factly. "That is his aura."

Oh, that. Mrs. Matyshovna whipped out a metal wire with a wooden handle — it looked exactly like what you do to a hanger when you lock your keys in your car and you have to break in — and pointed at, among others, this correspondent. It started to twirl wildly when she stuck it about 4 inches (10 centimeters) from my chest.

"Very low aura," she muttered. "If you spent some time swimming with the dolphins, it would improve immediately."

Perhaps, but we will never know.

Dr. Lukina said dolphins can cure bed-wetting, dissipate anxiety, help mute children speak. She said the program had only about 20 dolphins now, and she was unwilling to discuss whether their military research continues.

She could not account for the absence of the other dolphins in the original program and, although two buses full of youngsters passed by, the staff was unwilling to make them available to talk about their experiences.

"This is a private sensation," she said, standing on a rotting pier and tossing cod at her charges. She regularly turns away rich Russians, usually vacationing nearby in Yalta, who want to swim with the dolphins.

"Whatever these dolphins did before was serious business," she said. "But now it's serious, too. We have a goal here, and it's about learning and healing. And that is a miracle because for years this was a secret base where nobody could come. Now we have found a new purpose to our work. And so have the dolphins."

# The Albanian Quandary

## *Economy and Public Morale Are Shattered*

By Edward Cody
*Washington Post Service*

DURRES, Albania — Bahri Baci, the principal of an elementary school here, has fared better than most during the political turmoil and banditry that shattered Albania's public institutions and destroyed its feeble economy.

He and his wife, Xinxife, a teacher at the same school, have received their monthly salaries throughout the upheaval that exploded last spring, even though classes were suspended for three months. Unlike hundreds of thousands of Albanians, they did not lose savings in the pyramid investment schemes whose collapse set off the revolt. And their home and school in this Adriatic port escaped the armed bands that have wracked the country and made most of its highways unsafe for travel.

But as a new government seeks to impose authority and Albanians try to rebuild from the rubble left by five months of mayhem, "better" has become a relative term.

Mr. Baci, 51, and his 48-year-old wife have been receiving a total of $12 a month — their combined salaries. Their daughter Egle, 28, has helped out with money from her job in Italy. Even with her contribution, the couple cannot make ends meet. And, in a country paralyzed by lawlessness and a disintegrated government, they have found little reason to hope for swift improvement.

"People are so fed up with the disorder that they are ready to only eat once a day, if only they could get it over with and return to some kind of normality," Mr. Baci said. "But it will take time, because there are still arms everywhere."

Prime Minister Fatos Nano, the Socialist Party leader who came to power on July 24, has undertaken what looks at first glance like an impossible mission. His police force has largely fallen apart, as has his army, and civilians have the guns from their arsenals. Economic activity — undeveloped only five years after the country emerged from xenophobic communist isolation — was further distorted by the widely subscribed investment frauds, then was halted altogether by the violent revolt.

Presenting his government's program to Parliament on July 28, Mr. Nano warned that 40 percent of the people in Albania's countryside, and a third of those in cities and towns, were too poor to live normal lives even before the uprising. A fifth of the population, he added, gets by on $70 a year.

Perhaps most serious, the government of former President Sali Berisha and his Democratic Party sapped faith in public institutions among Albania's 3.2 million people only a few years after they had shaken off one of the world's most tightly closed communist systems and turned Westward. Albanian and foreign analysts in Tirana, the capital, 56 kilometers (35 miles) east of here, say restoring some of that faith will be necessary if Mr. Nano is to put the country back together for people like Bahri Baci and his neighbors.

"We have sold hardly anything these last few months," said Alket Kertalli, 19, who peddles watches with his father from a table in the Durres street market, where Mr. Baci was scouting out bargains. "People don't have any money. Sali took it all with him."

The hundreds of thousands of Albanians who invested in financial funds offering outlandish interest rates — in what turned out to be pyramid schemes — often did so believing that Mr. Berisha's government stood behind the funds and that such high-rolling was part of the new capitalism he brought to Albania. Against that background, popular rage exploded against Mr. Berisha personally when the pyramids came tumbling down, but also against the institutions he had come to represent.

Making the institutions work again has become a priority not only for Mr. Nano, who has promised as much to the Albanian people, but also for Italy and Albania's other neighbors. These countries have long been eager to prevent a new crush of Albanian refugees from pressing at their borders and to dampen further discontent among restive Albanian minorities in neighboring Serbia and Macedonia.

**The police and army have fallen apart, and civilians have the guns.**

When he took over in April 1992, Mr. Berisha seemed like the right man to lead Albania out of its long communist nightmare. Proclaiming himself to be an ardent believer in free-market capitalism and European values, he sought early membership in the North Atlantic Treaty Organization's Partnership for Peace program and in the European Union.

The United States started a military relationship with Albania, and aid money flowed here from Europe and the World Bank.

But within four years, Mr. Berisha had created what Human Rights Watch last March called "a one-party state based on fear and corruption."

He organized for himself a re-election landslide in May 1996, widely seen as fraudulent, and turned the justice system into a political instrument. He expanded the National Intelligence Service to a force of 3,000 agents supported by another 3,000 informers which operated as an arm of his party.

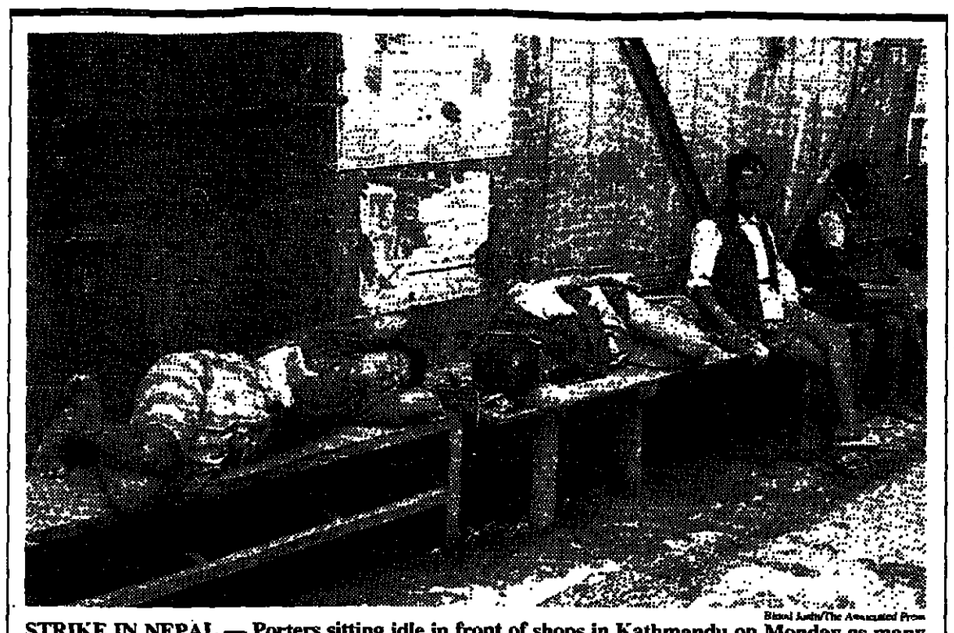
With the defeat of Mr. Berisha's party by Mr. Nano's Socialists in a two-round vote June 29 and July 6, the intelligence service has lost its power — officially, at least.

Its director, Bashkim Gazidede, fled Albania just before the Socialist victory was confirmed, as did the commander of the presidential guard, Xhahit Xhaferri, and the national police director, Agin Shehu.

But the new interior minister, Neritan Ceka, said in an interview that some intelligence agents, working with Democratic Party officials, are trying to form armed committees to resist efforts to restore government control in Shkoder, a Berisha stronghold 120 kilometers north of Tirana.

Until that kind of subversion is ended, as well as highway robbery and exercise of local authority by ad hoc armed groups, Mr. Ceka said, the economy cannot resume operation, and foreign aid cannot be put to good use.

"We recognize the obstacles," Mr. Nano told Parliament, "but they are not insurmountable."



Bimal Jasthi/The Associated Press

**STRIKE IN NEPAL — Porters sitting idle in front of shops in Kathmandu on Monday as many businesses closed their doors to protest a new value-added tax being introduced by the government.**

# Pretoria Hit Squad Given Amnesty

*The Associated Press*

CAPE TOWN — The commander of an apartheid-government hit squad who later switched sides and joined the black opposition in exile was granted amnesty Monday for the 1981 murder of a human-rights lawyer.

The Truth and Reconciliation Commission, which is investigating abuses by both sides during the apartheid era, granted amnesty to Dirk Coetzee and two former security policemen, who were convicted in May for their murder of Griffiths Mxenge in Durban.

The family of Mr. Mxenge, who was disemboweled and had his throat cut, objected to the amnesty ruling.

The Truth Commission said it was convinced Mr. Coetzee had acted on the "advice, command or order of one or more senior members of the security branch of the former South African police."

"We are satisfied that they did what they did because they regarded it as their duty as policemen" while engaged in the struggle against the African National Congress and other liberation movements, the Truth Commission said.

The panel, which is headed by the Nobel Peace Prize winner Archbishop Desmond Tutu, can grant amnesty if the perpetrators of a crime make a full confession and can demonstrate the crime was politically motivated.

Mr. Coetzee has applied for amnesty in 23 incidents, including 14 acts "involving gross violations of human rights." But Monday's ruling applied only to the murder of Mr. Mxenge.

Mr. Mxenge was a member of Mr. Mandela's African National Congress, which was outlawed at the time. His body was found outside his home near Durban.

Mr. Coetzee, 51, who later became involved with the anti-apartheid struggle, was the commander in the 1970s and 1980s of a special police group known as the Vlakplaas unit, which killed ANC activists.

# 4 More Cut Off Contacts With Bosnia Envoys

*Compiled by Our Staff From Dispatches*

PARIS — France, Britain, Sweden and Austria joined Germany on Monday in suspending contacts with Bosnia-Herzegovina's envoys abroad to put pressure on the country's ethnic factions to settle a dispute over the distribution of ambassadorial posts.

The spokesman for the French Foreign Ministry, Yves Doutriaux, announced the action by Paris after the international community's high representative in Bosnia, Carlos Westendorp, recommended to Western powers that no ambassador be treated as a legitimate representative of Bosnia until a law governing the appointments was agreed upon.

"This measure aims to ensure that the ambassadors of Bosnia-Herzegovina represent a single government and will speak on behalf of all three Bosnian communities," Mr. Doutriaux said at a news briefing.

"Consequently, we urge Presidents Alija Izetbegovic, Kresimir Zubak and Momcilo Krajisnik to fully assume their responsibilities and quickly reach a definitive agreement on this issue," he added.

Germany was the first Western country to declare a suspension of contacts with Bosnia's envoys.

At a NATO summit meeting in May, the Western allies threatened to impose penalties on the joint postwar government of Bosnia unless the Serbian, Croatian and Muslim factions settled their differences by Aug. 1 over the division of ambassadorial posts, and also reached agreements on laws governing citizenship and passports.

Mr. Westendorp extended the deadline to Monday because progress had been made on the laws governing citizenship and passports. *(Reuters, AFP)*


**ETHNIKI KEPHALEOU S.A.**
**ADMINISTRATION OF ASSETS AND LIABILITIES**

**ANNOUNCEMENT**

It is announced that, according to publications in the greek press and in the Financial Times (of London), the assets of TOURISTIKI GEORGIKI EXAGOGIKI SA - PORTO CARRAS are being sold by public auction according to art. 46a of L. 1892/90. These include an area of 17,709,815.- sq.m. approximately situated in Porto Carras, Neo Marmara, at a distance of 125 km from Thessaloniki, by the sea on which there are the following tourist and industrial installations.

**A. Tourist installations**

1. SITHONIA BEACH. An A-class hotel with 836 beds in 433 rooms and 20 suites. The hotel also includes 3 restaurants, 3 bars and 2 rented shops. The hotel is under lease to Casino Porto Carras SA, from 1994 to 2006, which runs a casino, established within the hotel building.
2. MELITON. A luxury hotel with 827 beds in 428 rooms and 18 suites. The hotel also includes 4 restaurants, 3 bars and 10 rented shops.
3. VILLAGE INN. A B-class hotel with 178 beds in 75 studios, 7 suites and 7 bungalows. The hotel also includes 1 restaurant, 2 tavernas, 3 bars and 28 rented shops. The hotel has been placed on a time-share basis and many time sharing contracts have been concluded from 1991 to 2040. Both MELITON and VILLAGE INN are under the management of GRECOTEL SA and will remain so until the assets are sold, at which time the management lease expires.
In the case of the Meliton Hotel only, should the management lease to Grecotel S.A. expire at a time the Manager (Grecotel S.A.) has signed contracts with tour operators, extending into the following tourist season, the management lease shall bind the new owner for that period.
4. MARINA, 5 metres deep for craft up to 45 metres in length with 166 berths, outlets for fresh water and electricity and buildings that are being used as a yacht club.
5. 18-hole GOLF COURSE over an area of 640 stremmas, 9 TENNIS COURTS and a HORSE RIDING CLUB.
6. GALANI luxury guesthouse over an area of 2,400 sq.m. including a guardhouse (252 sq.m.) and a chapel.
7. Other auxiliary areas.
8. The right to utilize the MARINA installations, described above, according to a special permit granted by public authorities (art. 6 par. 4 of L. 69/1968)

**B. Industrial complex which includes buildings and machinery**

1. Complete winery in covered area of about 5,200 sq.m.
2. Oil press - refinery in covered area of about 2,350 sq.m.
3. Bakery, about 1,320 sq.m.
4. Other auxiliary installations such as biological sewage treatment plant, workshop, garage, Public Power Corporation sub-station and pump room.

**C. OTHER ASSETS**

Also for sale are the Company's winery trademarks, ready and semifinished winery products, means of transport, receivables and any other items belonging to the Company.
It is pointed out that cash and cash equivalents are not included in the assets to be transferred, but will be used to cover the expenses concerning the liquidation.
Binding offers may be submitted until Monday, September 29th, 12:00 hours to the Thessaloniki Notary Public Mrs. Ioanna Chroussala-Bilissi, No. 11 Tsimiski St. Thessaloniki 546 24 Tel. +30-31-270653, 272622, 287385, Fax: +30-31-225772.
Binding offers must be accompanied by a Letter of Guarantee issued in accordance with the sample Letter of Guarantee contained in the Offering Memorandum, by a bank legally operating in Greece, to remain valid until the adjudication, for the amount of FIVE HUNDRED MILLION (500,000,000.-)
A detailed description of the assets offered for sale is given in the Offering Memorandum, which may be obtained from the Liquidator "Ethniki Kephaleou SA, Administration of Assets and Liabilities", 9a, Chryssospiliotissis St. Athens 10560, Greece, Tel.: +30-1-323.14.84-7, fax: +30-1-321.79.05 (attention of Mrs. Marika Frangakis), or the Liquidator's agent, Mr. George Dimtsas, Frangini St. 9, Thessaloniki, Tel. +30-31-268.626, fax +30-31-237110.



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# EDITORIALS/OPINION

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## Middle East Choices

A Gallup Israel poll conducted only hours before the cruel bombings in Jerusalem illuminates the choices before would-be peacemakers at this grave moment in the Middle East.

The Israeli government, led by Benjamin Netanyahu, has toughened its already tough line on terrorism to the point where, among other measures, it threatens to pursue terrorists into areas controlled by Yasser Arafat's Palestinian Authority. Regardless of whether one thinks such a step is required or justified by the suicide bombs, there is no denying that it could have explosive consequences. Whether the current peace talks would survive in any form is problematic.

The new poll, reflecting a consistent view in Israeli public opinion, represents another option. According to an Israeli analyst, 60 percent of Israeli Jews polled support establishment of a demilitarized Palestinian state, and more than half would grant Palestinians sole or joint sovereignty over parts of East Jerusalem. A similar majority supports withdrawal from most of the Golan Heights, in exchange for a peace agreement with Syria and security guarantees from the United States.

The latest bombs, like earlier bombs, surely will darken Israeli public opinion for a while. But the evident fact remains that most Israeli Jews favor peace with the Palestinians on terms that the Likud government, resisting territorial concessions and a Palestinian state, rejects but that most Palestinians would probably accept. By the time of the bombings, Mr. Netanyahu's pursuit of a "secure peace" had brought neither security nor peace, and the Israeli public was opening to alternatives to his strategy.

These are the realities that the United States must consider as it charts its own course.

Given a Palestinian demonstration of seriousness in the struggle against terrorism, the Israeli public can be expected to return to its pre-bomb readiness for a peace that would meet both Israel's quest for security and the Palestinians' for a state. For the United States to go this way would put it into tension with the Netanyahu government but would put it into step with most of the Israeli people.

Up to now, President Bill Clinton has avoided confronting the implications of Mr. Netanyahu's reluctance to bargain territory for a Palestinian settlement. Now he must decide whether to minimize short-run frictions with the Israeli government or reach for a long-term peace.

*—THE WASHINGTON POST.*

## Caspian Oil Fever

The Caspian region nowadays is best defined as a large body of undersea oil surrounded by nations anxious to tap it. The industry reckons that the Caspian reserves contain up to 200 billion barrels of oil worth as much as $4 trillion at current prices, plus comparable reserves of natural gas. Little wonder that two potentates from the Caspian and Caucasus area, Presidents Heydar Aliyev of Azerbaijan, and Edouard Shevardnadze of Georgia, journeyed to Washington this summer seeking to improve diplomatic and commercial relations. The danger is that American political concerns will be overwhelmed by the petroleum juggernaut.

On one level, the challenge for Americans is practical. Only a relative trickle of Caspian oil can reach markets through a soon-to-be reopened pipeline that passes through unstable Chechnya to the Black Sea. But building new pipelines that extend west and south involves intricate political considerations in the region's eight countries and in neighboring Russia, China, Turkey and Iran. Many of the region's leaders are autocrats and hope to remain so with the help of oil wealth.

The challenges to Washington were outlined recently in a speech by Strobe Talbott, deputy secretary of state. He rightly stressed the enormous promise of a new Silk Road, a corridor of commerce linking east and west, but cautioned against letting oil trigger an imperial scramble among great powers to the disadvantage of the region's inhabitants. "In pondering and practicing the geopolitics of oil," he said, "let's make sure we are thinking in terms appropriate to the 21st century and not the 19th."

Yet in one respect Mr. Talbott seemed to ignore his own advice by calling for immediate repeal of a 1992 congressional ban on American aid to Azerbaijan. The statute, Section 907 of the Freedom Support Act, was meant to punish Azerbaijan for its trade embargo against Armenia stemming from a deadlocked conflict over Nagorno-Karabakh.

The ban is of particular interest to oil companies since they seek U.S. government-backed loans for drilling and pipeline ventures, assistance now forbidden in projects in Azerbaijan. Their cause is supported by a veritable battle fleet of emeritus diplomats, including former Secretary of State James Baker and former national security advisers Brent Scowcroft and Zbigniew Brzezinski, all of whom have some business interest in development of Caspian oil.

Nagorno-Karabakh is emblematic of the area's political and ethnic volatility. It is a predominantly Armenian enclave within Azerbaijan created by Stalin when he carved up Soviet territories in an effort to suppress various ethnic and religious groups. In 1988, Nagorno-Karabakh erupted in violence as Armenian Christians clamored for real self-rule within Azerbaijan, whose people are mostly Turkic-speaking Muslims. An ugly war resulted that ended in stalemate when newly independent Armenia sent its own army across the frontier. Both sides have slaughtered civilians, and the conflict has displaced 800,000 Azerbaijanis. A cease-fire has somehow held for the last four years.

There may be a case for ending or modifying Section 907 now that America has joined Russia and France as co-chairs of Nagorno-Karabakh peace talks. But Washington ought to proceed with great caution as it adjusts policies there and in the wider Caspian area. The former Soviet Communist leaders who remain powers in the region are not alike. Mr. Shevardnadze has proved a reformer and a democrat. Mr. Aliyev has not. Armenia's president, Levon Ter-Petrossian, was re-elected in a 1996 vote of dubious fairness.

Corruption, political repression and human rights abuses remain endemic in the region. The United States has a nasty habit of subordinating its democratic principles when access to foreign oil reserves seizes the attention of politicians and their corporate benefactors. It happened in Iraq. It should not happen in the Caspian basin.

*—THE NEW YORK TIMES.*

## Other Comment

### A Chance for Germany

Germany and its leader are drowning in troubles. An old but creaking system of consensus, the lingering loyalty of bosses and employees to an unaffordable social welfare model, and a web of constitutional checks and balances designed to prevent even the most fleeting thought of another tyranny have all made it extraordinarily hard to carry out reform in Germany.

The current mess could, however, produce a bonus. It could force Germans to start considering, more seriously than before, both the gravity of their plight and its causes. Low though Helmut Kohl's electoral chances may seem now, he should not be counted out. He is a formidable winner of elections — and the election campaign has now, in effect, begun. If he is galvanized into explaining the need for radical reform, he may yet haul himself and his country out of the bog.

*— The Economist (London).*

### Beware of the Jungle

The good news is that Pol Pot has finally been brought to book, sentenced to life behind bamboo bars. The bad news is that it was the Khmer Rouge who did it. For in so doing they confirmed that the force to be reckoned with in Cambodia isn't in Phnom Penh. It lurks in the jungle. In many ways, [this is] the oldest lesson of civilization: Control the jungle or ultimately it will control you.

*— Far Eastern Economic Review (Hong Kong).*

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## Arafat and Netanyahu Are Not Being Serious

By Thomas L. Friedman

WASHINGTON — What do the suicide bombers in Jerusalem and New York City tell us? Something we already knew: There are Palestinian extremist groups that are nourished by terrorism against Jews — and it doesn't matter who is in power in Israel, how active the United States is, or whether peace talks are moving or stalled. The question is how to deal with them.

One option is permanent war between the Israeli and Palestinian peoples. But both the Israeli and the Palestinian majorities know that this is futile.

The architects of the Oslo peace had another idea: Build a peace between Israelis and Palestinians that will satisfy the center of each community.

You do this not because it will eradicate all terrorism. That is impossible. There will be Palestinian and Israeli extremists who will never reconcile. No, you do this because it creates a better way to diminish terrorism — having the Israeli and Palestinian moderates fighting together against the Israeli and Palestinian extremists.

We were in the process of testing this strategy when Yitzhak Rabin was gunned down by an Israeli fanatic. Ever since then, the Oslo experiment has been slowly eroding. And if this is not reversed, we are heading back to a war of the Palestinian middle against the Israeli middle — only it will be much worse because now Palestinians have guns. We are heading for Bosnia on the Jordan.

The two men with the most power to halt this slide are Yasser Arafat and Benjamin Netanyahu, and what is really depressing is that neither seems up to the task.

Mr. Arafat's leadership has been foolhardy and self-defeating. He has learned nothing from dealing with Israelis. Look at the Hebron deal last year.

Mr. Netanyahu, a lifelong advocate of keeping Hebron under Israeli control, relinquished most of it as part of the Oslo deal. Why? Because 75 percent of Israelis wanted Oslo to proceed. And they believed then that Mr. Arafat was making a real security effort.

In other words, a weak Arafat was able to triumph over Likud ideology because he had the leverage of the Israeli public on his side of the table.

So what happens? Immediately after Hebron, Mr. Netanyahu, to restore his right-wing credentials, starts a provocative building project at Har Homa in Jerusalem, and Mr. Arafat, instead of finding other ways to express his disgust, tries to hurt Mr. Netanyahu by turning Palestinian security cooperation on and off.

Naturally, the Israeli public sides with Mr. Netanyahu. Mr. Arafat loses all his leverage; peace talks halt.

Even though it was Arafat men who helped Israel uncover the Hamas Beit Sahur suicide bomb factory, he opens himself to charges of not doing enough on security because of how he has turned it on and off. He is, and should be, paying a price for his little games.

As for Mr. Netanyahu, his leadership has been incompetent. Yes, he has floated the idea of a Palestinian mini-state in the West Bank and Gaza. But while he has leaked those ideas to the Israeli press, he has never shared them with the Palestinians or developed any realistic strategy for working with Palestinians to achieve his ends.

So Palestinians assume that his ideas are just a fraud, meant for CNN, and that they are supposed to provide Israel security while Mr. Netanyahu diddles them, or tosses them a concession only when it is politically cost-free for him.

When the Americans asked Mr. Netanyahu to temporarily freeze building at Har Homa so that peace talks could be resumed, he offered to do so over a four-day holiday when there would be no construction anyway — an idea deemed too ridiculous to even pass to the Palestinians.

When Mr. Netanyahu wants to lead, he can. He showed that in Hebron, and just last week he blocked a new provocative building project in Jerusalem. But he usually debases what he has done by placating the ideologues in his party with acts that drive the Palestinians to despair.

So the Americans, Palestinians and his coalition partners have all concluded that he is a man with no core and that the person who puts the latest greatest pressure on him gets the most.

It is so revealing that, even with the peace process frozen, the latest Gallup Poll in Israel showed 60 percent of Israelis favoring a demilitarized Palestinian state, and even some sharing of Jerusalem.

The Israeli people have a core — they know there is no military solution, and that without the two centers finding a way to cooperate, there is only a future full of yesterdays. It's a shame they have no leaders to show them the way.

*The New York Times.*

## A Jewish Time of Mourning, Plus Usual Recriminations

By Yossi Klein Halevi

JERUSALEM — In Jewish tradition, these summer days are a time of mourning. Orthodox men don't shave, weddings and other public celebrations are suspended, the religious radio stations play only vocal, not instrumental, music. These are the "Three Weeks" marking the ancient Roman siege of Jerusalem and culminating in the fast day of the Ninth of Ab. There is no more somber or ominous time of the Jewish year.

Into the Ninth of Ab are condensed Jewish history's major disasters: the destruction of both the first and second temples, the loss of national sovereignty, the expulsion of the Jews from Spain in 1492, World War I, the beginning of modern Europe's disintegration that led to the Holocaust, also began on the Ninth of Ab.

Nature, too, conditions the religious Israeli to expect disaster in summer. The rains, biblical symbol of God's favor, entirely cease, and the earth reverts to thistle and stone, a land of graves.

And so last Wednesday's terrorist atrocity in Jerusalem can seem to be part of a predetermined pattern, a reassertion of hostile history.

The attack occurred at a time of increasingly vocal speculation about imminent war. The most serious threats come from the Middle East's three most pathological regimes. Western and Arabic intelligence reports quoted in the Israeli press say that Iran, Iraq and Syria, alarmed by Israel's growing strategic alliance with Turkey, are trying to resolve their long-time mutual antipathy and create a military pact.

According to Israeli intelligence, the Syrian army is actively preparing for war, or at least an attack on Israeli positions in the Golan Heights. In Lebanon, Iran is encouraging fundamentalist guerrillas to intensify attacks on Israeli soldiers and provoke retaliation. Leaders of the Palestinian Authority warn of a "spontaneous explosion of the Palestinian street" — by which they mean orchestrated violence.

Like the Jews of ancient Jerusalem who accused one another of treasonous accommodation with or provocative militancy toward Rome, modern Israelis agree only about this: If the next war happens, other Israelis will be to blame.

Leftists fault the Netanyahu government for failing to nurture the fragile peace process and accept Arab territorial demands. Rightists assert that the countdown to the next war began with the empowerment of Yasser Arafat's terrorist army as a police force in the heart of the land of Israel.

Orthodox Jews say secular leftists and rightists summon God's anger by polluting the Holy Land with Western vices. The salvation of Israel, insist rabbis who travel the country preaching penitence to increasingly larger audiences, won't be found in any political formula but only in a return to the ways of the Torah.

Even as we mourn the destruction of ancient Jerusalem, we debate the fate of resurrected modern Jerusalem. Is Prime Minister Benjamin Netanyahu's refusal to call back the bulldozers from Har Homa a provocation that has restored us to pariah status and opened the way to the next war? Or is his unexpected opposition to building a new Jewish neighborhood in East Jerusalem's Ras al Amud a betrayal of Jewish history and the beginning of the dismemberment of the city between rival Palestinian and Israeli sovereignties?

Like the Jews in Roman times, we are trying to discover the way out of the siege. We search, each group in its way, for the political or religious solution to the mutually conflicting demands of history and security and morality.

*Mr. Halevi, a senior writer for The Jerusalem Report, contributed this comment to the Los Angeles Times.*

## Don't Try to Shoulder Russia Out of the Caucasus Oil Game

By Fred Hiatt

WASHINGTON — On the campus of Georgetown University, a handful of demonstrators last week protested the visit of Azerbaijan's president, Heydar Aliyev. "Aliyev — Money Won't Buy Respect," one sign proclaimed.

If the protesters had stepped into the auditorium where Mr. Aliyev was speaking, they might not have been so sure. A standing-room-only crowd welcomed the former KGB chief and Politburo sycophant as a great statesman.

Former U.S. national security adviser Zbigniew Brzezinski had the "distinct pleasure and privilege" of introducing him. Richard Armitage, a former assistant secretary of defense, led the audience in a post-speech standing ovation, thanking the visiting leader for his "insightful and indeed inspiring message."

Why such sudden respect for the coup-installed leader? One word: oil. Azerbaijan claims title to a good-sized patch of the Caspian Sea oil and gas reserves. Along with Kazakhstan and Turkmenistan, on the Caspian's facing shore, Azerbaijan has become the object of an oil rush as nations and companies jockey for access to that $4 trillion prize.

Washington's foreign policy establishment has not been immune to oil rush fever. An all-star cast of former top officials — including, although their financial interest was not mentioned during the Georgetown forum, Mr. Armitage and Mr. Brzezinski — are working or consulting for oil companies with an interest in the region.

Many foreign policy experts, with or without personal financial stakes, are urging the Clinton administration to pay more attention to this Caucasus and Central Asian region, with an emphasis on promoting "greater access" and on building "multiple pipelines," as Mr. Brzezinski said. Translation: Get the oil to the West without going through Russia.

There is a valid policy goal underlying that advice. These former Soviet republics, after decades under Moscow's thumb, are working hard to flesh out their new independence, and it is in America's interest to help them succeed. They cannot, as long as every pipeline for oil export runs through Russia.

And when it comes to trade, military training, cultural influence and more, these countries do not want to limit themselves to their former overlords to the north and Islamic fundamentalists to the south. America can and should offer another option.

But — and here is where many pipeline strategists and unreconstructed Cold Warriors go astray — building up the new nations should not mean cutting Russia down. Russia is a neighbor, with a role to play.

The question is what kind of role. Many in Moscow still see these nations as colonies, only nominally and perhaps temporarily independent. Russian officials covertly inflame ethnic tensions in the region to undermine the new nations and to retain some control.

But those officials are playing a losing game. While the Heritage Foundation warns of a possible "new Russian empire" that might seek "exclusive control over the region's pipelines," the real Russia's army is disintegrating, and its efforts to form a closer commonwealth of former Soviet republics have been rebuffed.

Meanwhile, a new element in Russia is beginning to understand that it can benefit more from commercial ties among equal nations than from the threats of the past. While Russia's Foreign Ministry denies Azerbaijan's exclusive right to any Caspian oil, Russia's privatized oil companies wheel and deal alongside Amoco and Chevron. Entrepreneurs on a smaller scale import and export, oblivious to politics.

It is in everyone's interest for these Russians to be included, not excluded — for Russians to see that they, too, can benefit in a nonimperial world.

The competition for influence does not have to be a zero-sum game, Deputy Secretary of State Strobe Talbott said recently. "We want to see all responsible players in the Caucasus and Central Asia be winners."

There is an analogy here to Russia's western border, where the West is seeking to bolster the sovereignty of former Soviet satellites while helping Russia to join the world, in part through a Russia-NATO Council.

That policy opens the Clinton administration to attack from both sides. Opponents of NATO expansion accuse it of jeopardizing U.S.-Russian ties, while those who demonize Russia accuse Washington of "appeasing" Moscow.

In fact, nothing would be simpler than to stop "appeasing" Moscow. The United States could cram NATO expansion down Russia's throat, and it could seek to shut Russia out of the Caucasus. It takes neither courage nor cunning to kick someone when he is down.

But the strategy of trying to integrate Russia while bolstering its neighbors is more coherent than what critics from either end can propose. The stronger Azerbaijan and Armenia grow, and Estonia and Poland, the less opportunity they present to would-be Russian adventurers and nationalists.

And the more Russians find legitimate opportunity in Azerbaijan, the greater the chances of peace throughout the region.

It is easy and maybe profitable to lionize Mr. Aliyev for keeping the Russians at bay. To support Azerbaijan in good measure while encouraging Russia's democratic and economic development is a more sophisticated game — and, in the long run, a more rewarding one.

*The Washington Post*

## Journalists Who Risk Death

By Anthony Lewis

GUATEMALA CITY — In the last 10 years, 173 Latin American reporters, photographers, columnists and editors have been murdered. They were not covering wars or something else that might be considered hazardous duty. They were just doing their ordinary job: trying to publish the truth.

The chilling thing about those murders is that almost none of them have been solved. Official corruption, indifference and threats have prevented serious investigations.

That grim record was the subject of a conference put on in Guatemala City last week by the Inter-American Press Association. Hundreds of journalists, lawyers, political figures and others met to call for an end to unpunished crimes against journalists.

What made the conference remarkable was testimony about the victims. Widows, colleagues and others told about their lives and deaths.

Jorge Carpio Nicolle, a leading Guatemalan editor, died when 30 hooded men ambushed his car on a remote country road on July 3, 1993. "They asked if he was Jorge Carpio," his widow, Marta Arrivillaga de Carpio, said. "Then they shot him. My husband fell in my arms."

Mrs. Carpio, who has taken over as editor of the newspaper El Gráfico, said those who ordered the killing remain unknown. The police official in charge of the investigation was murdered, evidence destroyed — and all this at a time when Jorge Carpio's cousin was president of Guatemala.

Violeta Chamorro, the former president of Nicaragua, spoke of the 1978 murder of her husband, Pedro Joaquín Chamorro, an editor who opposed the Somoza dictatorship. He and the others who died, she said, "could have had a safe lifestyle — but they had a commitment to truth."

Many in the conference hall had suffered experiences that were painful even to hear described. An Argentine editor's 2-year-old son was kidnapped during that country's dirty war, and never found.

Irma Flaquer Azurdia, a Guatemalan newspaper columnist, was kidnapped in 1980. Her sister, Anabella Flaquer, told how the family had been warned not to investigate her disappearance. "I have been condemned," she said, "to the torment of not knowing how Irma died."

The focus was on cases from Mexico, Guatemala and Colombia. But others were mentioned, not only in Latin America but in Russia, Algeria, India and elsewhere.

In most cases the suspicion is that government officials or military elements were behind the murders; the victims had often spoken out against official crimes and abuses. In Colombia, drug lords targeted the press, and drug traffickers working with corrupt officials seem to be doing the same in Mexico. A Mexican editor, Benjamin Flores González, was machine-gunned to death just three weeks ago.

It is murder with impunity. To see that is to understand that more is at stake than the lives of journalists. Flagrant killing that goes unpunished rots a society, destroying the people's faith in law.

The purpose of the murders is to send a message — to the press and to all citizens. The message is: Do not disagree with the powerful; do not speak out against evil. Unchallenged, the result would be a silent society, and that is a terrible price to pay.

Rosalina Tuyuc Velásquez, a Mayan member of the Guatemalan Congress, said: "A people without information is a dead people."

The spread of democracy in Latin America has not ended the phenomenon of crimes against the press without punishment. Intolerance of free expression remains despite the fall of authoritarian regimes, and so do corrupt or ineffective police and justice systems.

But there is courage, too — courage that moved those coming from the safety of the United States. Latin journalists are prepared to challenge the culture of silence.

*The New York Times.*

## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1897: Economic War

PARIS — M. Henri Boucher, the French Minister of Commerce, regards the new United States Tariff Bill as a declaration of economic war against Europe. The United States, he says, have thought fit to indulge in fantastic experiments, feeling secure in the monopoly of their cotton and oil supply; but in this calculation they are likely to be deceived, for there is reason to believe that a substitute will be found for oil in alcohol, and as for the provision of cotton it will be possible to seek it in the colonies.

### 1922: Flemish Trial

BRUSSELS — A trial of acute political interest will commence, when the Flemish Deputy, Ariel de Beuckelaere, former corporal, will have to answer to charges of treasonable relations with Germany. De Beuckelaere attained notoriety on account of his Flamingant views while he was still with the colors. Captured with his squad during a German raid, De Beuckelaere became an object of flattering attentions on the part of the enemy on his views becoming known, as the Germans were counting on the possibility of splitting the country in two with the help of the Flamingant movement.

### 1947: Congo Uranium

PARIS — Shipments of uranium ore to United States atomic plants from the mines of the Belgian Congo, cloaked in official Belgian government secrecy, totaled 1,648 tons in the first three months of 1947. Communist spokesmen emphasize that the export of uranium to America is placing Belgium in a "colonial position"; that Belgium herself should take the field in the atomic race.

# OPINION/LETTERS

## In America, Days of One Nation Are Gone

By Michael Clough

LOS ANGELES — Say good-bye to the idea of America as one nation — and one market — indivisible under God. That is the implicit acknowledgment by one of America's defining institutions, McDonald's.

Specifically, the fast-food giant is reorganizing its U.S. operations into five relatively independent geographic divisions. The days of one hamburger, one America are gone.

The underlying trends that forced McDonald's to regionalize its restaurant decision-making are the same ones that make it increasingly difficult for other U.S. institutions to develop effective national strategies, including foreign policy and governance.

For better and worse, it is less and less possible for nationally minded elites, sitting in Washington and New York, to construct policies that simultaneously protect and promote the interests of Los Angeles, San Francisco and other emerging regional metropolitan centers.

Instead, a new, much more decentralized model of governance, one capable of accommodating the growing diversity of the American politico-cultural economy, must be developed. Short of that, the stage could be set for a series of economic and cultural civil wars pitting regions of the country against each other.

A rapid series of economic, social and technological changes, especially immigration and economic globalization, have transformed the United States into a microcosm of the world. The exceptional uniformity that characterized American society in the early post-World War II period has been supplanted by extreme diversity.

The most integrated national market in the history of the world is splintering into an array of niches.

Nevertheless, the idea that the United States is and will remain one nation with a common culture and a clear set of "national" interests is deeply ingrained in the American political psyche. It is a vision based largely on a myopic view of U.S. history.

The America that emerged after World War II was the product of a long process of nationalization. Its milestones were:

- The opening of the Erie Canal in 1825 and the emergence of New York City as the commercial, financial and corporate capital of a highly integrated industrial heartland stretching from Massachusetts to Illinois.
- The defeat of the South in the Civil War and passage of the 13th, 14th and 15th Amendments to the U.S. Constitution, which extended the principle of equal rights to blacks and established the primacy of national citizenship over state citizenship.
- The rise of the progressive movement and the development of Teddy Roosevelt's New Nationalism, which provided the intellectual foundations for the emergence of an activist national government.
- The homogenization of the American population following passage of the Immigration Act of 1924 and the success of the "Americanization" movement.
- The rise of radio and, later, television, which helped to nationalize politics and popular culture.
- The automobile revolution that turned America into the most internally mobile nation in the world and spurred the development of a network of interstate highways.
- The Great Depression, World War II and the onset of the Cold War, all of which greatly increased the need for a strong, centralized, national government.

*America is destined to become a country of independent regions, each with its own politico-cultural economy, governing elites and interests.*

Today the flow of U.S. history is moving in precisely opposite directions. National unity is being eroded from above and below.

- The national economy is becoming part of an integrated global economy, and the primacy of the old industrial heartland is now challenged by the emergence of new economic centers in the South and the West, each with its own set of interests.
- The campaign for equal rights and integration has metamorphosed into a series of demands for the recognition and acceptance of social and cultural differences.
- The primacy of national government is challenged by more and more calls for new forms of global governance and efforts to return greater authority to states and localities.
- Immigration, legal and illegal, has eroded the homogeneity of the U.S. population and multiplied the connections between American society and other societies around the world.
- The communications revolution simultaneously has turned national media giants into global media mega-giants and spurred a proliferation of new forms of local media.
- Finally, with the end of the Cold War there is no longer as much of a need for a vast national security establishment.

Although this transformation is still in its infant stages, the shape of the future is becoming clear. America is destined to become a country of distinct, relatively independent regions, each with its own politico-cultural economy, metropolitan centers, governing elites and global interests.

Based on existing economic and demographic trends, it is possible to imagine 20 or more core regions stretching across the country.

The character of each region will be determined by the nature of its principal industries, the ethnic composition of its population, the political orientation of its dominant elites and the extent and location of its global connections. At present, this evolution is most noticeable and advanced along the southern and western borders of the United States.

Given the strength of the centrifugal forces at work, it is a naive and dangerous ambition to cling to the idea of one nation, one culture.

Naive, because it assumes that newly powerful regional elites ungrudgingly will cede the clout and influence they have won back to national elites in Washington, whom they believe to be largely out of touch with the changes.

Dangerous, because it could block the United States from developing a new formula for national governance, one that would preserve a place for national authorities while giving regional elites more latitude to develop the strategies that best promote their region's interests.

*The writer, a senior fellow at the Council on Foreign Relations, is co-chairman of the New American Global Dialogue. He contributed this comment to the Los Angeles Times.*

## Sermonizing and Moral Uplift Aren't What Hollywood Is For

By Maureen Dowd

WASHINGTON — If the first lady is going to worry about Julia Roberts as a role model, you'd think she would object to "Pretty Woman," in which Ms. Roberts charmingly presented prostitution as another yuppie avenue of upward mobility — leading to respect, rubies, escargots, good table manners, flossing and Richard Gere.

Or "Everyone Says I Love You," in which the actress played a married woman who has an affair with Woody Allen. Or "Something to Talk About," in which she tries to poison a philandering husband. Or the upcoming "Conspiracy Theory," in which she is a Justice Department employee who hooks up with Mel Gibson, a conspiracist cab driver who thinks NASA is trying to kill the president with earthquakes.

Instead, Hillary Rodham Clinton chooses an easy target, scolding Ms. Roberts for smoking in "My Best Friend's Wedding." Her chiding syndicated column appeared on the same day that the U.S. Postal Service had a red carpet ceremony to unveil a stamp with a handsome image of Humphrey Bogart, who epitomized the cool of smoking and who died of lung cancer.

"This portrayal of a modern woman so reliant on cigarettes is particularly troubling given that more young women are taking up the deadly habit," the First Columnist wrote, adding: "A dynamic woman smoking throughout 'My Best Friend's Wedding,' an intelligent scientist lighting up in 'Contact' and Leonardo DiCaprio playing a chain-smoking Romeo in 'Romeo and Juliet' send children the wrong message." ("Romeo and Juliet" sends children the wrong message.)

"Instead of hiding behind the excuse of artistic license," she continued, Hollywood big shots "should admit that most film scenes depicting smoking are gratuitous — whether it's Will Smith celebrating every triumph by lighting a cigar in 'Independence Day' or Kurt Russell unveiling a pack of red, white and blue cigarillos with the brand name 'Freedom' in 'Escape from L.A.'"

Ms. Roberts's character in that movie bothered me, too, but smoking was the least of it. What about her willingness to lie and manipulate and break hearts and even get her best friend fired, just so that she could steal him from his fiancée?

I don't care if the woman had a smoking problem. I do care that she had a means-ends problem. Or should children be taught that it's O.K. to behave like Machiavelli if you don't light up?

I've always loved all those old movies that glamorize smoking. But it never made me want to smoke. I've always loved those old movies that glamorize bank robbers. But I never wanted to rob a bank.

It was my older brother who made sure I would never take up smoking. He told me, early and often, that men found women who smoked unattractive. TV and movies are a powerful influence, but it is the family's role to shape behavior and instill values.

A movement to modify behavior through media started several years ago when Jay Winsten of Harvard began lobbying to have prime-time television programs insert designated driver and anti-violence themes.

His success caused lobbyists for every disease and social problem to besiege Hollywood.

It was one thing to make TV and movie people more conscious that characters might buckle their seat belts or use condoms or talk about consequences. But now the focus on subliminal messages has become an obsession, as every show is pressured into becoming a thousand little sermons.

Critics complain that Christine Baranski's deliciously cynical character on "Cybill" should not drink so many martinis. Lucie Arnaz wishes her parents' smoking scenes could be cut from "I Love Lucy" reruns.

The first lady is straying into commissar territory. The purpose of movies is not moral uplift, and Mrs. Clinton does not know what is good for everybody.

A holier-than-thou celluloid universe where people are portrayed as we want them to be, rather than as they are, is not art or entertainment. It's propaganda. It is their flaws that make characters interesting.

The state has no authority over culture. It is the purpose of art — it is even the purpose of Julia Roberts movies — to explore all aspects of life. Politicians are not parents. Studio executives are not parents. Only parents are parents.

The problem with most of the stuff that comes out of Hollywood is not that it is unedifying. The problem is that it is unwatchable.

*The New York Times*

*A holier-than-thou celluloid universe where people are portrayed as we want them to be, not as they are, is not art or entertainment. It's propaganda.*

MEANWHILE

## LETTERS TO THE EDITOR

### On Middle East Peace

How many more bombings and killings of civilians will Jerusalem and Tel Aviv have to face until both the Israeli prime minister and the Palestinian leader understand that there is no other choice than to go on with the peace process in the Middle East?

The dialogue has progressed too far for either side now to call it quits. This means that both the Israelis and the Palestinians are doomed to continue their walk toward peace, whether they like it or not.

The Islamic terrorists know it, as do the Jewish extremists. Now it's up to their respective governments to show these people and the rest of the world that they will not be coerced by barbarous, cowardly militants.

BERNARD HENRY.
Garches, France.

*Regarding "Don't Bow to Terror" (Editorial, Aug. 1):*

Yasser Arafat must crack down on terrorist organizations, regardless of how disappointing have been the results of negotiations with Israel. For him to undertake single-mindedly the suppressive action which is probably required to succeed, he needs broad domestic support. He can hardly count on that unless he rekindles in the heart of Palestinians the hope of the rosy future they expected from the Oslo agreement.

Unfortunately, the Palestinian leader is not being helped in this regard by Benjamin Netanyahu's statements and actions. The Israeli prime minister has said "no" to a Palestinian state. In the name of security, he punishes law-abiding Palestinian citizens by closing borders so they do not have access to making their living.

All of this crushes the hopes of Palestinians and drives them toward despair. It advances the cause of extremists who want to wreck the peace process, and it undermines Mr. Arafat's standing as the brave liberator.

Believers in peace, Israelis and Palestinians alike, wish their leaders would take account of each other's legitimate concerns. Immediate resumption of dialogue, with the direct involvement of the United States, is what is needed to salvage the peace process and avert further bloodshed. A fair settlement is the best guarantee of a lasting peace and security.

S. A. SHERIF.
Montreux, Switzerland.

*Regarding "Mideast's Drift Toward Disaster Concerns Us All" (Opinion, Aug. 2) by Jim Hoagland:*

The suicide bombings in Jerusalem by members of the military wing of Hamas are directly linked to the 1988 charter of Hamas, which is a blueprint for genocide.

As Mr. Hoagland points out, "the world's interest in stability in the Middle East is too great to allow the deadly drift to ever larger disaster that now prevails to continue."

We all have a duty to denounce those movements whose basic charters spell out their murderous aspirations, often transforming religious and spiritual values to narrow politico-ideological ends.

Beyond the necessary denunciations, there are ramparts of international law to help stop these tides of hate. The Convention on the Prevention and the Punishment of the Crime of Genocide of 1948 prohibits the public incitement to commit genocide, as is done regularly by Hamas. It is up to the states party to the convention to invoke its mechanisms and thus stop the deadly drift.

RENE WADLOW.
Geneva.

### Curbing Pollution

*Regarding "Heartland to Washington: You Just Don't Matter" (Opinion, July 30) by James K. Glassman:*

I agree with Mr. Glassman's assessment that Washington politics and priorities often seem ludicrous from afar. The self-importance of the nation's capital and some of its more powerful residents is indeed shocking at times.

Yet I do not buy Mr. Glassman's blanket statement that "government at the federal level just isn't important to people's lives."

Take one example: the environment. Mr. Glassman himself uses this example to prove his own point, suggesting that among other "devilish" tasks performed by the government, efforts to protect air quality and curb global warming will harm, not help, Americans and the economy at large.

But if there is one area in which the U.S. government must be involved, it is in curbing excessive human depletion of limited natural resources, improving air quality, and protecting the ozone layer. If the government does not do so, then who will? Though certain elements of the private sector are becoming more environmentally responsible, these efforts are not yet sufficient.

The truly "devilish" thing would be to ignore the gravity of the environmental challenge and to leave the mess in the hands of our children and grandchildren. If Washington can successfully make strides to improve the long-term health of this planet, then this is one area where it deserves praise, not criticism.

MELANIE JANIN.
Geneva.

Mr. Glassman writes that global warming is "a threat that good science shows is minor, if it exists at all." His comment contradicts conclusions by thousands of scientists that global warming exists and that what remains to be ascertained is the extent by which it will continue to increase in the next century.

Furthermore, these experts say that global warming may be irreversible. As polar ice caps melt and glaciers recede, solar radiation will be absorbed by the exposed land and not reflected back by the snow and ice. This will reinforce the warming process.

FRANK S. RUDO.
Paris.

*The writer is professor of chemistry at the City University of New York.*

### Language of Math

*Regarding "In This Golden Age of Astronomy, Wake Up and Be Curious," (Opinion, July 29) by Charles Krauthammer:*

Mr. Krauthammer writes, "Mathematics is the language of the cosmos."

I have always taught my students never to be intimidated by the mathematics that scientists use to characterize scientific phenomena.

Mathematics, like any other language, can always be translated and explained.

More efforts need to be made to demystify science among the public, as a deeper understanding of nature by all engenders a more profound respect and tolerance for the world in which we live.

MICHAEL PRAVICA.
Cambridge, Massachusetts.

*The writer is a teaching fellow at Harvard University.*

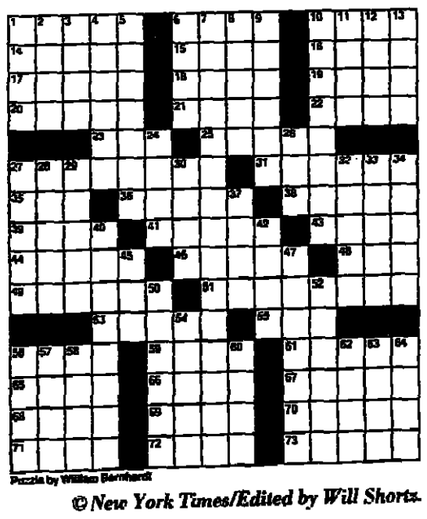
## CROSSWORD

**ACROSS**

1 One of 7-Down
5 Nicholas II, e.g.
10 Tattle
14 Kind of anesthetic
15 Roll call response
16 "I before E except after C," e.g.
17 Make amends
18 The witch's end in "Hansel and Gretel"
19 Where India is
20 Restorative
21 Attorney General Janet
22 Ollie's partner in slapstick
23 Popular oil additive
25 Tough as ——
27 One leads to Loch Lomond
31 Mounted again
35 Collection of anecdotes
36 One of 7-Down
38 Small drum
39 Signal for an act to end
41 Holy chalice of legend
43 Telephone sound
44 It increases by degrees
46 Make sense
48 The Red Baron was one
49 Curriculum vitae
51 Striped
53 Midsection, informally
55 It hangs next to 53-Across
58 "Hey, you!"
59 Growth on the north side of trees
61 Monastery staff
65 Reverberation
66 Satanic
67 1973 Broadway revival starring Debbie Reynolds
68 Pour
69 Singer Turner
70 Gypsy's deck
71 One of 7-Down
72 Midterm, e.g.
73 One of 7-Down

**DOWN**

1 Subdivision of land
2 ——Rooter
3 It's clicked on a computer
4 Breakfast pastry for Hamlet?
5 Sophocles tragedy
6 God with a hammer
7 This puzzle's theme
8 "In the ——" (Nixon book)
9 Impressionist Pierre
10 High military muck-a-muck
11 One of 7-Down
12 Inter ——
13 Noggin
24 Ping——
25 Serve to be re-served
27 Cartoon Viking
28 Hole——
29 The Sharks and the Jets, e.g.
30 Taj Mahal site
32 German sub
33 Present
34 One of 7-Down
37 "——, Pagliaccio" (aria)
40 One of 7-Down
42 Moon goddess
45 Grounded bird
47 Drivers and hunters need them
50 Clown Kelly
52 Not concerned with right and wrong
54 Hollywood release
56 Dumas senior
57 Glance over
58 Thug's knife
60 Blinds place
62 Peter or the Wolfe?
63 Half hitch, e.g.
64 Brother of Cain and Abel



Puzzle by William Bernhardt

*© New York Times/Edited by Will Shortz.*

**Solution to Puzzle of Aug. 4**

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| F | I | T | A | S | A | F | I | D | D | L | E | | | |
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| N | A | T | U | R | E | | P | L | A | Y | T | I | M | E |
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# At Home With Texture and Light

By Elaine Louie
*New York Times Service*

NEW YORK — As a fashion designer, Han Feng designs *three collections a year for the* New York runways. But it has taken decades for her to design her first home.

In it, she has created an environment that is reminiscent of her clothes, with a subtle *Asian understanding of* texture, light and balance. Her luminous Thai silk jackets, wide-cut pants and simple columnar dresses express graceful motion and diaphanous coolness set off with Asian *touches, deftly enriched by a* silk cord, tassel or frog closure. And like her designs, her home is airy and beguiling.

When Han Feng and her husband were divorced earlier this year, the designer moved *from a five-room,* 1,600-square-foot (150-square-meter) apartment on the 13th floor of the Ansonia on the Upper West Side to an anonymous 2,400-square-foot loft on the sixth floor of a garment district building on a side street.

Fred R. Conrad/The New York Times

*A three-sided muslin tent defines the living area.*

"For me, the Ansonia had such a strong personality — the moldings on the ceiling, the round living room, the beautiful view, the terraces all around — I didn't want to touch the detail," said the 34-year-old designer who was born in Nanjing, China, and came to the United States in 1985. *Han is her surname, and Feng is her* given name, but she always uses the two names together.

The rented loft offered her a blank slate for her interior design ideas. First, she and David Hu, a New York architect, gutted the space. Out came the walls that divided the loft into four dark and dreary rooms. Out came the closet and bookshelves that obscured five of *the 16 windows. Sunlight filters through* white muslin, which on warm summer days billows at the open windows.

By day, the sheer fabric diffuses the light so there is never any glare, and the curtains become a scrim through which one can glimpse Manhattan rooftops. When shafts of sunlight cut through the openings between the panels of muslin, they form evanescent stripes on the cool, dark concrete floor. At night, the space glows with dozens of candles, some in bowls aligned along the floor, others in delicate metal fixtures suspended from the ceiling.

"I want to make my home very peaceful, very quiet," Han Feng said. "I *want you to feel the flow of the air.*"

The loft is divided into three parts: living room, dining room and bedroom. But unlike the awkward partitions that originally broke up the space, the areas are now delineated only by the placement of furniture, including Chinese pieces and those by Josef Hoffmann and Kolo Moser, the Viennese pioneers in modernism who founded the Wiener *Werkstatte in 1903.*

A 100-year-old six-paneled Chinese screen separates the bedroom from the rest of the loft. With its open carvings and geometric latticework the 9-by-12-foot screen is both massive and airy, at once romantic, lacy and slightly austere.

"It was originally used to divide rooms in a traditional Chinese house in Hangzhou," Han Feng said, referring to the eastern Chinese city where she spent her student years. Originally, rice paper was glued behind the latticework to give complete visual, if not auditory, privacy.

The bedroom has the feeling of an aerie, and the platform bed seems to float in space. It has a canopy made of pale blue mosquito netting, the fabric held by steel filigreed tiebacks, which the designer bought in Beijing in 1982. On the bed a white cloud of a comforter floats on top of the mattress, which rests on a bleached wood platform. Even the pillow shams, *which are linen edged with a* deep band of silk organza, appear almost weightless.

The single chair is a light, graceful 1905 Hoffmann rocker with circular arms and a rattan seat and back. An armoire and a baby grand piano are the bulkiest objects in the room.

At night, Han Feng lights the candles and turns on an electrified lantern covered in canary yellow silk piped in crimson. The dining room is really nothing more than a grouping of a table and chairs. They also seem to float in the middle of the loft, and the *objects themselves have such a self-*possessed integrity that they define their territory.

For the living area, the designer swagged and draped muslin into a three-sided tent, under which nestles a round table, chairs with curved spindle backs, and a love seat, all designed by Hoffmann. The intimate space is a place for a tête-à-tête or a solitary cup of jasmine *tea. The stiff formality of the Hoffmann* furniture is offset by a comfortably cushioned sofa placed just opposite.

Victoria & Albert Museum

*At the Victoria & Albert, a tea set from about 1750, above, and an engraved snuffbox given by Charles II to Nell Gwyn in about 1680.*

# With a Silver Spoon (and Fork)

## *V&A Museum Explores a Metal of Practicality*

By Paula Deitz

LONDON — For a peak aesthetic experience, nothing else in this city equals a random stroll through the imposing cor*ridors of the Victoria & Albert Museum,* where old-fashioned display cases are filled with wondrous objects from Britain's past.

Fortunately, trendy or neutral backgrounds favored by other museums for exhibit purposes never caught on here. The success of the V&A's new English Silver Galleries is due in part to their setting in the old Ceramic Gallery, orig*inally completed in 1869.*

When Henry Cole became the V&A's first director in 1852, the museological fashion was to coordinate the decoration of a gallery with the objects displayed. The V&A's grand ceramic staircase, for example, signaled the delicate wonders on view in the porcelain palace above, with its series of paired columns encased in celadon and white majolica. *The galleries were further ornamented* with painted Italianate ceilings and a frieze bearing the names of pottery centers from Abruzzi to Zwickau.

The galleries eventually succumbed to changing tastes in the next century, but the tiles were wisely preserved in storage in the basement. Now, handsomely restored, the galleries glitter again, this time with a magnificent array of more than a thousand pieces of English silver dating from 1300 to 1800.

Philippa Glanville, the V&A's chief *curator of the metalwork department, has* arranged objects so as to interest visitors who might otherwise be overwhelmed by intensely packed chronological displays with long academic captions.

"To begin with," Glanville said, "silver is practical and hygienic, so it worked from the beginning on a simple human level in everyday life." Nothing demonstrates this better than a nursery saucepan from *1740.*

In almost every aspect of living — eating, dressing, worshiping, entertain*ing, writing — silver is omnipresent.* And there is little mystery to the history and provenance of English silver; the guild standards and hallmarks established by the Worshipful Company of Goldsmiths, as well as the family custom of personalizing silver with coats of arms, saw to that.

In an attempt to answer two questions — what were these pieces for and who *used them? — Glanville and her staff* have organized part of the exhibition around themes like dining; tea, coffee and chocolate; writing and lighting, and specialized silver for men, women and children. (At her husband's death a woman gave up the family silver to his heir but kept a few thimbles, buckles and diaper tongs as part of her personal paraphernalia.) There is also a more *traditional chronological display of lar*ger items beginning with medieval ewers and basins.

In one series of showcases, an entire history of dining is laid out, covering nearly all of the 18th century. Since the fork was an Italian invention, the earliest English fork dates from only 1632. Table settings were composed mostly of spoons, but these were cleverly crafted for many functions, for example, as marrow scoops.

This range of uses also gives an idea *of the daily fare. To be ultra-sanitary,* a man might travel about town with his own cutlery — a knife, fork and spoon that folded neatly into a beaker.

With the coming of the Rococo age in the 1730s, serving platters and tureens were differentiated in shape and ornately decorated, and flatware, designed in sets, was stored in mahogany cases inlaid with silver.

Everything having to do with the service of wine was made in silver, including the bottle tickets, or labels, that *identified the contents at a glance.*

As the century progressed, the real explosion of style came in serving pieces. In place of a clumsy fork and spoon, specialized tools were tailored to the foods they served, among them a pudding trowel, an ice spade and a strainer spoon with a central divider.

AWAY from the dining room, *the toilet service displayed the* greatest range of shapes and containers, including covered cups for the new hot chocolate drink served at breakfast gatherings in the bedchamber. With its assortment of powder and clothes brushes, jewel boxes, perfume flasks; bowls and pincushions clustered around a handsome silver-mounted mirror, the toilet service *was a luxury that soon went out of* fashion, replaced by a smaller version that fit into a traveling case.

The V&A is planning more galleries covering later centuries, but in the meantime, a lively and readable catalogue of essays about silver, edited by Glanville, is available.

And the museum's continuing commitment to contemporary silversmiths is shown by an elegant display that includes a teapot by Johannes Kuhnen that in its way is as sensuous as the *engraved snuffbox* Charles II gave to his mistress Nell Gwyn.

*Paula Deitz, co-editor of The Hudson Review, wrote this for The New York Times.*

# *For Clients With Money to Burn*

By Sarah Lyall
*New York Times Service*

LONDON — Tiziano Mazzilli is sure he knows what all the sniping surrounding his ultrahip clothing store, Voyage, is about: envy. "When you start to be very successful, people get jealous," he said the other day at Voyage, dressed in his own creations: olive linen drawstring pants and a T-shirt of Sea Island cotton worn under a transparent purple nylon shirt. "*But all these* people don't understand Voyage, what it is. They don't even know the difference between silk and cotton."

In the six years since Mazzilli and his wife, Louise, opened Voyage, on trendy Fulham Road in the Chelsea section of London, the store has gained a reputation for producing stunningly ethereal concoctions — some float, some cling, some do both — in rich colors and eclectic, unusual fabrics. It has also developed a reputation for being extremely exclusive and extremely expensive. A wisp of a see-through chiffon skirt, for instance, sells for about $1,140; a popular velvet frock coat for men sells for about $2,000. An American customer recently spent more than *$131,000 there in a single heady shopping expedition.*

But though the store has worldwide sales of almost $18 million a year, Mazzilli has had to contend with some determined grumbling lately. In an article in The Sunday Times of London, for instance, Penny Wark wrote that shopping at Voyage was a "surreal combination of humiliation and desire," and complained that one of its big-selling cardigans — short, tight, in wild colors and trimmed in velvet — was overpriced at £295, or $480.

"She forgot three-quarters of what the cardigan was about," Mazzilli protested. "The little flowers are handmade in Japan. When the flowers arrive, they're individually installed by hand. There's a silk lining inside. All the hooks in the cardigan are individually put in by hand, and the cardigan is individually dyed."

Indeed, money appears to be no object for many of Voyage's zealous fans, including a healthy contingent of celebrities (Dustin Hoffman, Madonna, Nicole Kidman, Melanie [illegible]ffith) and the highest of high-profile models. "Last w[illegible], Linda Evangelista came in and said, 'I can't survive w[illegible]out your clothes,'" Mazzilli said.

Nor does cost seem to be a problem in the United States. At Barneys and Bergdorf Goodman's, where prices are comparable to those in London, the Voyage line has been very successful. "People are spending $1,344 for a spaghetti-strap slip dress," said a spokeswoman for Barneys.

"The clothes make you feel a little more glamorous," said Caroline Michel, a book-publishing executive. "They have such a sense of color and fabric, and there's nobody else doing quite what they do. I think they are overpriced, but the problem is their clothes do become an obsession, and because they change everything so often, you never get bored."

## CHESS

By Robert Byrne

TAL SHAKED, the United States junior champion, made a very nice showing in the June edition of the First Saturday tournament series in Budapest, but came up short of what he wanted. He did indeed win the competition, with a 9 ½-3½ score, and *in doing so surpassed* three grandmasters. By a half-point, however, the 19-year-old Shaked missed achieving the norm that would have made him a grandmaster.

It is difficult nowadays for Americans to reach grandmaster rank when at *least one of the tournaments to measure* their skill has to be of the round-robin type. In the United States, sponsorship for these high-expense events is not easy to come by. That is why Shaked traveled to Hungary, and why he will have to go on looking for admission to another appropriate foreign tourney.

Dimitry Bunzmann of Germany, the player Shaked defeated sharply in the 10th round, also undershot the norm he was shooting for — international master — but by a full point. Bunzmann could have done it by winning their game, but Sahked never let him get close.

Rubinstein's 5 Ne2 against the Nimzo-Indian Defense was originally intended to reply to...Bc3 by Nc3, avoiding doubled pawns. Still, 5...Ba6 6 a3 Bc3 7 Nc3 d5 8 b3 O-O 9 a4 Qd7 10 Be2 Nc6 11 O-O Na5 12 Ba3 Rfd8 13 Rb1 c6 holds White to only a slight advantage. Shaked prefers the tortuous 6 Ng3, which is based upon developing a heavy center and an attack.

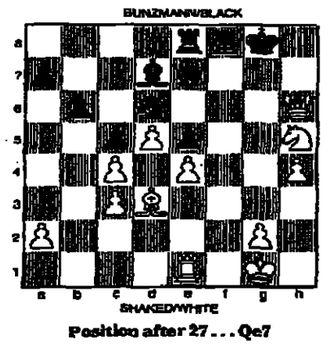
In games where Black has responded to 9 d5 by 9...ed 10 cd Bd3 11 Qd3, he has not found chances for counterattack.

Bunzmann's solution to the question *of the center was 11...Ne5, which put* pressure on the c4 pawn. Shaked was persuaded to break up his bishop pair with 12 Be5 de.

After slow-motion preparation, Shaked opened a front on the king's wing with 20 f4! On 20...ef 21 Qf4 e5 22 *Qg5 Qd8 23 Rf6, Bunzmann should* have played 23...Qe7, but it is still not clear whether he can defend his king. For example, 23...Qe7 24 Ref1 Kh8 25 Qh6 Rg8 26 Rd6 Qd6 27 Rf7 forces mate. And in this same line, 25...Nf5 loses to 26 ef! Qf6 27 Nh5!

Shaked ripped into 23...h6 with 24 Rg6! fg 25 Qg6 Kh8 26 Qh6 Kg8 27 Nh5. If 27...Re7, then 28 Qd6 Rh7 29 Re3! Qh4 30 Rg3 Bg4 31 Be2! Qh5 32 Rg4 Rg7 33 Rg7 wins. In this line, 29...Bg4 loses to 30 Qd8 Rd8 31 Nf6.

After 28 Re3, defense by 28...Qh7 *would have been defeated by 29 Nf6* Rf6 30 Rg3 Rg6 31 Rg6 Kh8 32 Rd6. Bunzmann tried 28...Rf4, but with 29 Rg3 Rg4 30 Nf6 Kf7 31 Ng4 Shaked got his sacrificed material back while retaining his mating attack plus three extra pawns. Bunzmann gave up.




Position after 27...Qe7

**NIMZO-INDIAN DEFENSE**

| White Shaked | Black Bunzm'n | White Shaked | Black Bunzm'n |
|---|---|---|---|
| 1 d4 | Nf6 | 16 Qc2 | g6 |
| 2 c4 | e6 | 17 Qe2 | Nd6 |
| 3 Nc3 | Bb4 | 18 b4 | Bd7 |
| 4 e3 | b6 | 19 Qd2 | Rae8 |
| 5 Ne2 | Ba6 | 20 f4 | ef |
| 6 Ng3 | 0-0 | 21 Qf4 | e5 |
| 7 e4 | d6 | 22 Qg5 | Qd8 |
| 8 Bd3 | c5 | 23 Rf6 | h6 |
| 9 d5 | Nbd7 | 24 Rg6 | fg |
| 10 Bf4 | Bc3 | 25 Qg8 | Kh8 |
| 11 bc | Ne5 | 26 Qh6 | Kg8 |
| 12 Be5 | de | 27 Nh5 | Qe7 |
| 13 0-0 | Qc7 | 28 Re3 | Rf4 |
| 14 Qa4 | Bc8 | 29 Rg3 | Rg4 |
| 15 Rae1 | Ne8 | 30 Nf6 | Kf7 |
| | | 31 Ng4 | Resigns |

## BOOKS

### GREAT APES

*By Will Self. 404 pages. £15.99. Bloomsbury.*

Reviewed by Katherine Knorr

WILL SELF was *in the news most* recently for his brief, alarming career as the Observer's answer to Hunter Thompson. After he admitted to snorting heroin in a toilet on John Major's campaign plane, he became the mostly unwitting victim of a small newspaper shooting war, all of which combined to overshadow the fact that "Great Apes," his second novel, is a terrific book.

As a writer, Self has specialized in the outrageous, showing off high-voltage style in pursuit of the frankly gross, notably in "Cock & Bull" and "My Idea of Fun." Although "Great Apes" is plenty gross, with its up-close and *personal view of chimp grooming, it is* also so far superior to the previous books that it rises above the special effects; this is a book that should make people take Will Self very seriously.

Artist Simon Dykes is hot. Provocative and useful rumors about his most recent work, *images of carnage,* have created a buzz around his coming gallery opening. He himself is hallucinogenically introspective, mean-streets-cynical and on a fast track to an overdose. When he wakes up from a long night with his girlfriend, Sarah, he finds she has turned into an ape. Then things get really strange.

"Great Apes" is the hangover from hell, the one that never goes away: Dykes will become an object of interest, fear and intense scientific scrutiny as the wretched ape who thought he was a man.

*Dykes is put into the care of Dr. Zack* Busner, a media-savvy psychiatrist known for taking on strange cases. Busner has a lot more than usual riding on this one, as younger associates want to challenge his preeminence and as suspicion grows over just exactly what caused Dykes to morph *into delusion.*

A world of chicanery and ambition thus clusters around our wolfman in reverse, which allows Self to take us on a wildly funny ride through a world that isn't, hoo hoo euch-euch grnnn, all that different from our own pant-hooting and knuckle-walking universe. Nobody comes out of this terribly well, except perhaps those wild humans howling something oddly familiar out there in the darkness.

Self sends up the contemporary art *circus, with its poseurs ("Like, chimp,* we *don't* groom"), its crooks and thugs, and the passive-aggressive journalists: "Whereupon other critics, throughout the gallery, also put their rented glasses on the floor, braced themselves and began to vocalize. 'HoooooGraa! HoooooGra!' The air was thick with their vinous exhalations.... Some of the critics even began drumming on the walls and floors, until solicitously requested not to by the gallery females."

Self also serves up to great comic effect animal-rights arguments, anthropological theories on the origins of — well, whoever turns out to be the more advanced species — and race relations, not always too good between "caucasian" chimps and "Bonobos": "A gaggle of tough Bonobo sub-adults was hanging out on the corner, holdings cans of Special Brew to their pink lips and signing to each other with the fluent gestures of patois. Their body fur poked in tufts through the holes of *their string* vests: their head fur was either razored with lightning strikes or carved into squares and triangles."

The modern plague is here, of course, CIV, which may or may not have come from the bite of a wild human. This is "Planet of the Apes" for intellectuals.

Attractively repackaged and remarketed, "Great Apes" might also serve as one of those how-to manuals *for wage slaves with office politics* problems.

Enough of all those coy tips from management consultant phonies about how to handle difficult people or how to win raises and influence your boss's boss by metaphorically bobbitting your *colleagues — "Great Apes" is a world* of jungle office politics where the players really act out.

The jacket cover could say, At last the true formula for influential grooming and butt-kissing, the only book you will ever need to succeed in a world full of alpha males. This may be the novel that finally gets at the Meaning of Life. And what a lot of fun it is.

*International Herald Tribune*

### SQUEAKY: The Life and Times of Lynette Alice Fromme

*By Jess Bravin. 432 pages. $25.95. Buzzl St. Martin's.*

Reviewed by Carolyn See

YOU may not like some things he does / and you may feel ignored / but all your troubles won't be solved / by shooting President Ford." So wrote some thoughtful bizarro in Martinsville, Illinois, in response to the attempted *assassination of that bemused leader* outside the California state capitol building by Squeaky Fromme. It was a silly event, a nonevent, really. The gun didn't go off; indeed, the safety might still have been on. There was speculation that she might not have known how to use the gun, or perhaps even have been too frail to pull the trigger. She was tiny, dressed in a homemade costume; she looked like an elf. Under other circumstances, she might have been arrested for attempted assault, put away for a few years, and that would have been that.

But these weren't ordinary circumstances. Lynette Fromme, 19, and her best friend, Sandra Good, were enthusiastic members of the so-called Manson family. They had drawn X's on their foreheads during the dramatic trial of *their* "god," their own Charlie. Their elf costumes were really robes for a new religion Manson was dreaming up daily from prison. The two were waiting impatiently (and pathetically) for the Armageddon he had promised.

America was supposed to have been drenched in blood by now — irate children rising up against their parents, blacks and whites duking it out in pitched battles full of hate, corrupt CEOs immolated by the deserving and undeserving poor. Or something like that! But Helter Skelter, the fruit of a thousand Charlie Manson acid dreams, hadn't really happened. Only the Manson family's own gruesome murders, the Tate-LaBianca killings, had happened. Those who had done them were all in jail now, and the authorities had *thrown away the key.*

Fromme and Good had invented "The International People's Court of Retribution" in which all the rich capitalists who were polluting the planet — cutting down the redwoods, using aerosol spray and so on — would die bloody deaths. They compiled a list of offenders and sent them threatening letters. Violence was to have been the *order of the day, but there was a catch to* all that. The catch was, they were two young, unemployed women, with no money and no power at all. They were nobodies, living out an illiterate convict's bad dream.

Jess Bravin does a fine job, just zeroing *in on Lynette Fromme,* a sweet little girl who grew up in tract-house L.A., just a few blocks from Loyola Marymount University, who was bright and did well in school, who was hounded and harassed by a brutish father who kicked her out of the house in her mid-teens so that she ended up weeping on a street in Venice with nowhere to go. Manson rescued her. He rescued a lot of girls, and the question is: What had happened to society that a guy could go grazing up and down the western United States and end up with close to three *dozen girls and a few complacent guys,* and their own birth families just let them go?

Bravin treats Fromme, who is serving a life sentence, with objectivity, courtesy and respect, qualities that must have been in very short supply over the course of her life. *This is an important,* thoughtful book, a close look at the enduring enigma of the '60s, a puzzle in our collective psychic life that continues to play out today.

*Carolyn See reviews books weekly for The Washington Post.*

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International Herald Tribune

BUSINESS/FINANCE

TUESDAY, AUGUST 5, 1997



# At Barney's, Luxury Is a New Owner

## *Hong Kong Retailer Will Inject Capital*

By Jennifer Steinhauer
*New York Times Service*

NEW YORK — Barney's Inc., the cutting-edge retailer of luxury goods that fell into bankruptcy when its expansion dreams collided with a Japanese partner, announced Monday that Dickson Concepts (International), a Hong Kong-based retail concern, would take control of the family-owned business.

The sale, announced in Hong Kong and subject to the approval of the U.S. Bankruptcy Court, is clearly pleasing for both the Pressman family, which founded Barney's, and for Dickson.

Bob and Gene Pressman, who have been at war with their former Japanese partner, Isetan Co., will now be able to untangle themselves from the bankruptcy and the litigation that went with it. Further, they may realize their dreams of an international Barney's, albeit with a new owner in charge.

Dickson Poon, the chairman of Dickson Concepts, now gets his foot in the door of the U.S. retail market, a territory he was longing to enter, and the opportunity to meld some of the operations of his other luxury-goods businesses, including Harvey Nichols, a high-end department store in London.

"We are thrilled to death with this deal," Bob Pressman said. "Dickson Poon's vision is identical to our vision, which is the globalization of luxury retailing."

Under terms of the agreement, which was reached Friday, Dickson Concepts will take control of 51 percent of Barney's, paying $78 million for the equity stake.

Dickson also will provide about $127 million in new financing for the company, $52 million of which will be in the form of a senior convertible note that will be repaid to Dickson or turned into another equity stake. A $42 million note also will be issued, to be repaid by future royalties from Isetan for the use of the name Barney's New York in Asia.

Barney's creditors will be left to divide the $205 million and the 49 percent of equity that has been left on the table.

The biggest question is how much would go to Isetan, which is almost certain to be a landlord of Barney's in the future and is currently its biggest creditor.

Bob and Gene Pressman, the co-chief executives of Barney's, have been guaranteed a role in the reorganized company, although it is not yet clear what their titles or responsibilities will be.

It is quite likely, however, according to people close to the deal, that Mr. Poon will put Joseph Wan, the chief executive of Harvey Nichols, in charge of Barney's.

The Dickson offer came after 18 months of negotiations during which other retail and financial suitors, including the parent of Saks Fifth Avenue, also expressed interest. Dickson,

Christopher Moore
Barney's Madison Avenue store in New York, which opened in 1993.

See BARNEY'S, Page 15

# Teamsters Begin Strike at UPS

## *Package-Delivery Company Says Its 'Final' Offer Stands*

*Compiled by Our Staff From Dispatches*

ATLANTA — Union members, some brandishing picket signs promising "We'll fight," walked off the job Monday at United Parcel Service of America Inc., disrupting operations at the company that controls four-fifths of the U.S. package-delivery business.

Pay, pensions and the full schedules worked by "part-time" employees are the main sticking points between UPS and the Teamsters, who represent nearly two-thirds of the company's 302,000 U.S. employees.

"It's imperative that we take a stand now or we won't have a future," said Connie McArthur, a 19-year employee picketing a UPS distribution center in Seattle. "We've got the part-timers working double and triple shifts, and they're still called part-timers."

The midnight walkout by the more than 185,000 Teamsters was the first nationwide strike in the 90-year history of UPS, a privately held company that delivers 12 million parcels and documents a day. UPS estimated that a scattered, one-day walkout in 1994 cost it $50 million.

The Independent Pilots Association is backing the strike and said its 2,000 UPS pilots also would refuse to work.

But UPS said it was not prepared to sweeten its contract offer to entice the striking International Brotherhood of Teamster members back to their jobs.

Dave Murray, UPS's chief negotiator, said the company would not budge from the "last, best and final" offer it made to the union last week.

That offer, made Thursday, the day the old contract was to expire, proposed to raise hourly wages by about $2.50 an hour over five years. Full-time UPS drivers now earn $19.15 an hour. The union quickly rejected it.

"We will do whatever we can using our management and other nonunion people to operate to the extent that we can," a UPS spokesman said.

President Bill Clinton said Monday that he would not order the striking Teamsters back to work. He urged both sides to resume negotiations.

To send the strikers back to work, Mr. Clinton would have to invoke the Taft-Hartley Act, which empowers presidents to end strikes that are judged to imperil the nation's health or safety. "Taft-Hartley hasn't been invoked since President Truman, so I don't anticipate presidential action," said Michael McCurry, the White House spokesman.

It was difficult to gauge the strike's immediate effect, though UPS said just the threat of the strike had cost the company 1 million packages on Friday — about 8 percent of its daily business.

The union's main demands are limits on subcontracting and more full-time jobs. Nearly two-thirds of the Teamsters at UPS are part-timers.

Henry Stewart, a truck driver in Atlanta, said he was still a part-time worker after nine and a half years, even though he averages 45 to 50 hours a week.

"I'm presently doing the same thing as a full-timer," said Mr. Stewart, who said he earns nearly $17 hourly as a part-time driver but would make nearly $20 an hour full-time and would have much better benefits.

But UPS says it has three- to four-hour busy periods in the morning and afternoon and that it would not make sense to guarantee employees a full-time job. The company said it would make medical supplies and other emergency deliveries its first priority, and that it expected to keep up its international service.

Federal Express Corp. reported a sharp increase in business in recent days, and imposed limits including cutting drop-off times by two hours, suspending money-back guarantees and declining new regular accounts.

The U.S. Postal Service announced temporary measures on Monday, including limiting customers to four parcels a visit. The service said "an extraordinary increase in volume" was expected. *(AP, Reuters, Bloomberg)*

# Hiccup in Sell-Off of Norilsk Nickel

*Reuters*

MOSCOW — Prime Minister Viktor Chernomyrdin threw a monkey wrench in the works of Russia's privatization drive Monday by ordering the suspension of a tender for 38 percent of the mining giant Norilsk Nickel.

With less than 24 hours to go before the winner was due to be announced, news agencies quoted unnamed government sources as saying Mr. Chernomyrdin had ordered the controversial sale to be stopped.

A source at Uneximbank, which is bidding in the tender, confirmed the instruction existed but other parties involved were kept in the dark about the order. "So far, we have not received any such document," said Igor Lipkin, chairman of the State Property Fund. "But if the prime minister signed such a document, then we would carry it out."

But a spokesman for Bank MFK, which is organizing the sale, said the tender winner would be announced as planned on Tuesday with only a small delay in the announcement, now expected at about 6 P.M. local time.

Bank MFK, the investment bank affiliate of Uneximbank, said Mr. Chernomyrdin could not stop the sale at the last minute.

"According to the civil code of Russia, it is not possible to change or add to the conditions of the sale already set out," Oleg Sapozhnikov, MFK spokesman, said.

The confusion surrounding one of the last big state property sell-offs in Russia is the result of growing public and political pressure on the government to look into the terms and conditions of the sales. Just last week, controversy erupted over the privatization of AO Svyazinvest, with the losing bidder suing the leader of the winning consortium for suggesting he had tried to mount a "backroom deal."

The sale, raising $1.875 billion for Russia's empty state coffers and the biggest privatization so far, drew angry comment from some Russian television channels and newspapers, apparently triggered by media moguls said to have been part of the losing consortium.

Observers had little doubt that media attention would turn to Norilsk, which Uneximbank was also widely tipped to win. The bank won control of the 38 percent stake, which represents 51 percent of voting rights, under a shares-for-loans deal in 1995.

## INTERNATIONAL STOCKS

# Spain's Utilities Look to Latin America

*AFX News*

MADRID — Recent acquisitions in Latin America by Spain's leading utility companies could bring strong gains from a market growing 8 percent a year, compared with growth of barely 1 percent in Spain, analysts said.

Last week, Iberdrola SA led a consortium that acquired 65 percent of Coelba, a state-owned Brazilian utility company, for about $1.6 billion. Empresa Nacional de Electricidad SA announced that it had acquired 29 percent of Enersis SA, Chile's largest electricity producer and distributor, for about $1.5 billion.

The operation consolidates Endesa's position as leader in the Latin American electricity market, where the group already holds significant stakes in companies in Brazil, Peru, Argentina, Venezuela and the Dominican Republic, analysts said.

Iberdrola now comes a close second with assets in Chile, Argentina, Bolivia and Brazil, they said.

The latest acquisitions "reflect the confidence both Endesa and Iberdrola have in their respective financial situations and in their future growth potential," said Ignacio Cornejo, analyst at Beta Bolsa.

Analysts said both companies had high levels of cash flow, with Endesa's totaling about 400 billion pesetas ($2.6 billion) while Iberdrola's was estimated at around 300 billion pesetas.

"Endesa's financial situation is the better of the two because of its traditionally low levels of debt," Mr. Cornejo said, but Iberdrola "has also been able to reduce its debt substantially over the past year because of lower interest rates."

"Both companies have been smart enough to see that potential growth in the domestic electricity market is very limited, especially against a background where demand is growing about 1 percent and tariffs are continuing to decline," Mr. Cornejo added.

The average annual increase in electricity consumption in Latin America is estimated at about 8 percent, Mr. Cornejo said.

With its latest acquisition, "at a stroke, Endesa has transformed a collection of Latin American electricity holdings into a solid business," said Chris Rowland, an analyst at Merrill Lynch.

"Without doubt, the Spanish electricity market will not see the same kind of growth as in the late 1980s or early 1990s," Mr. Rowland said. "It's logical that the major companies will focus on investing in areas of faster growth."

Mr. Rowland said Endesa would have "a diversified base of electricity interests in the fast-growing markets of Latin America."

As part of the Chile operation, Endesa will launch a takeover bid for five Chilean investment funds that hold stakes in Enersis.

Endesa has said it expects the Enersis acquisition to increase its net profit by 19 percent in 1997, adding that it will raise its worldwide electricity production by 29 percent while sales are expected to rise 20 percent.

In a research note, Schroder Securities said recently that Iberdrola's Brazilian acquisition — which represents an investment of about 95 billion pesetas to acquire a 39 percent managing stake in Coelba — "represents an important strategic move for Iberdrola, which has no major presence outside the domestic market." Coelba operates in the northeastern region of Brazil and has 2.3 million clients, compared with about 8 million for Iberdrola in Spain, analysts said.

Analysts said the strong earnings contributions from Banco Bilbao Vizcaya SA and Banco Santander SA's Latin American units, and moves into the Latin American market by other major players such as Telefonica de Espana SA and Repsol SA, offered further proof of the region's growth prospects.

"If you look at companies like Telefonica and Repsol, and in particular the leading banks, they have all been forced to look outside the domestic market to fuel their expansion," Mr. Cornejo said.

Banco Santander said last month that its investments in Latin America in the first half accounted for 18 percent of its investments outside Spain, adding that its activities in the region had made a significant contribution to group results.

In addition to the acquisitions already made over the past year in Argentina and Peru, Repsol's chairman, Alfonso Cortina, has said that about 500 billion pesetas was already earmarked for purchases in Latin America.

*Reginald Dale is on vacation. His 'Thinking Ahead' column will resume in September.*

# CURRENCY & INTEREST RATES

## Cross Rates

Aug. 4

| | $ | £ | D.M. | F.F. | Lira | D.Fl | B.F. | S.F. | Yen | C$ | Peseta |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Amsterdam | 2.1915 | 3.428 | 1.1264 | 0.3339 | 0.1151* | — | 5.456* | 1.3764 | 1.7749* | 1.573 | 1.334* |
| Brussels | 38.49 | 62.89 | 20.6475 | 6.1215 | 2.1073* | 18.325 | — | 25.18 | 0.3277 | 27.88 | 24.5005* |
| Frankfurt | 1.872 | 3.046 | — | 0.2966 | 0.1021* | 0.8879 | 4.8434* | 1.2196 | 1.5774* | 1.3565 | 1.185* |
| London (a) | 1.6389 | — | 3.0398 | 10.2523 | 2,975.349 | 3.4237 | 62.7488 | 2.488 | 192.7989 | 2.2496 | 256.6573 |
| Madrid | 157.857 | 256.944 | 84.402 | 25.027 | 8.627* | 74.927 | 4.0877 | 103.04 | 132.977* | 114.414 | — |
| Milan | 1,830.79 | 2,979.58 | 978.88 | 290.19 | — | 868.99 | 47.488 | 1,195.83 | 15.422 | 1,326.35 | 11.595 |
| New York (b) | — | 1.6307a | 1.8663 | 6.2935 | 1,828.00 | 2.1019 | 36.55 | 1.5253 | 118.35 | 1.3785 | 157.625 |
| Paris | 6.309 | 10.269 | 3.3733 | — | 0.3446* | 2.9946 | 0.1634 | 4.1182 | 5.3147* | 4.5725 | 3.996* |
| Tokyo | 118.75 | 193.57 | 63.68 | 18.89 | 0.653 | 56.53 | 3.0844 | 77.62 | — | 86.02 | 0.7551 |
| Toronto | | | | | Closed* | | | | | | |
| Zurich | 1.5262 | 2.4866 | 0.8186 | 0.2426 | 0.0835* | 0.7346 | 3.9643* | — | 1.3885* | 1.1068 | 0.9494* |
| 1 ECU | 1.0599 | 0.6512 | 1.9823 | 6.6869 | 1,940.46 | 2.235 | 40.9307 | 1.6238 | 125.827 | 1.4623 | 167.348 |
| 1 SDR | 1.3549 | 0.8267 | 2.5034 | 8.4532 | 2,447.17 | 2.8269 | 51.6405 | 2.0579 | 160.557 | 1.8763 | 211.616 |

*Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers: New York rates at 4 P.M. and Toronto rates at 3 P.M.*
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

## Other Dollar Values

| Currency | Per $ | Currency | Per $ | Currency | Per $ | Currency | Per $ |
|---|---|---|---|---|---|---|---|
| Argent. peso | 0.9999 | Greek drac. | 291.35 | Mex. peso | 7.83 | S. Afr. rand | 4.657 |
| Australian $ | 1.3561 | Hong Kong $ | 7.7424 | N. Zealand $ | 1.553 | S. Kor. won | 888.90 |
| Austrian sch. | 13.14 | Hung. forint | 196.31 | Norw. krone | 7.6994 | Swed. krona | 8.0327 |
| Brazil real | 1.083 | Indian rupee | 35.735 | Phil. peso | 28.75 | Taiwan $ | 28.65 |
| Chinese yuan | 8.3203 | Indo. rupiah | 2617.00 | Polish zloty | 3.47 | Thai baht | 32.15 |
| Czech koruna | 34.51 | Irish £ | 0.6932 | Port. escudo | 188.71 | Turkish lira | 159935. |
| Danish krone | 7.1201 | Israeli shek. | 3.5424 | Russ ruble | 5800.00 | UAE dirham | 3.6705 |
| Egypt. pound | 3.3938 | Kuw dinar | 0.3029 | Saudi riyal | 3.75 | Venez. boliv. | 495.50 |
| Fin. markka | 5.5642 | Malay. ring. | 2.6225 | Sing. $ | 1.466 | | |

## Forward Rates

| Currency | 30-day | 60-day | 90-day | Currency | 30-day | 60-day | 90-day |
|---|---|---|---|---|---|---|---|
| Pound Sterling | 1.6277 | 1.6258 | 1.6238 | Japanese yen | 118.01 | 117.55 | 117.03 |
| Canadian dollar | 1.3765 | 1.3742 | 1.3720 | Swiss franc | 1.5233 | 1.5184 | 1.5130 |
| Deutsche mark | 1.8636 | 1.8602 | 1.8565 | | | | |

*Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo).*

## Libid-Libor Rates

Aug. 4

| | Dollar | D-Mark | Swiss Franc | Sterling | French Franc | Yen | ECU |
|---|---|---|---|---|---|---|---|
| 1-month | 5 1/2 - 5 5/8 | 3 1/16 - 3 3/16 | 1 3/8 - 1 1/2 | 6 7/8 - 7 | 3 1/4 - 3 3/8 | 7/16 - 9/16 | 4 5/16 - 4 7/16 |
| 3-month | 5 5/8 - 5 3/4 | 3 1/8 - 3 1/4 | 1 5/16 - 1 7/16 | 6 15/16 - 7 1/16 | 3 5/16 - 3 7/16 | 9/16 - 11/16 | 4 5/16 - 4 7/16 |
| 6-month | 5 11/16 - 5 13/16 | 3 1/4 - 3 3/8 | 1 5/16 - 1 7/16 | 7 1/16 - 7 3/16 | 3 3/8 - 3 1/2 | 9/16 - 11/16 | 4 7/16 - 4 9/16 |
| 1-year | 5 7/8 - 6 | 3 7/16 - 3 9/16 | 1 9/16 - 1 11/16 | 7 1/4 - 7 3/8 | 3 1/2 - 3 5/8 | 5/8 - 3/4 | 4 1/2 - 4 5/8 |

*Sources: Reuters, Lloyds Bank.*
*Rates applicable to interbank deposits of $1 million minimum (or equivalent).*

## Key Money Rates

| United States | Close | Prev |
|---|---|---|
| Discount rate | 5.00 | 5.00 |
| Prime rate | 8 1/2 | 8 1/2 |
| Federal funds | 5 1/4 | 5 9/16 |
| 90-day CDs dealers | 5.59 | 5.58 |
| 180-day CP dealers | 5.50 | 5.50 |
| 3 month Treasury bill | 5.13 | 5.13 |
| 1-year Treasury bill | 5.22 | 5.22 |
| 2-year Treasury bill | 5.90 | 5.87 |
| 5-year Treasury note | 6.11 | 6.08 |
| 7-year Treasury note | 6.15 | 5.94 |
| 10-year Treasury note | 6.21 | 6.13 |
| 30-year Treasury bond | 6.48 | 6.46 |
| Merrill Lynch 30-day RA | 5.12 | 5.12 |
| **Japan** | | |
| Discount rate | 0.50 | 0.50 |
| Call money | 0.44 | 0.44 |
| 1-month interbank | 0.53 | 0.53 |
| 3-month interbank | 0.59 | 0.59 |
| 6-month interbank | 0.62 | 0.63 |
| 10-year Govt bond | 2.37 | 2.36 |
| **Germany** | | |
| Lombard rate | 4.50 | 4.50 |
| Call money | 3.12 | 3.10 |
| 1-month interbank | 3.13 | 3.13 |
| 3-month interbank | 3.23 | 3.21 |
| 6-month interbank | 3.35 | 3.34 |
| 10-year Bund | 5.87 | 5.60 |

| Britain | Close | Prev |
|---|---|---|
| Bank base rate | 6 3/4 | 6 3/4 |
| Call money | 6 3/4 | 6 3/4 |
| 1-month interbank | 6 15/16 | 6 15/16 |
| 3-month interbank | 7 1/8 | 7 1/16 |
| 6-month interbank | 7 3/8 | 7 5/16 |
| 10-year Gilt | 7.05 | 7.02 |
| **France** | | |
| Intervention rate | 3.10 | 3.10 |
| Call money | 3 3/16 | 3 3/16 |
| 1-month interbank | 3 1/4 | 3 1/4 |
| 3-month interbank | 3 3/8 | 3 5/16 |
| 6-month interbank | 3 1/2 | 3 7/16 |
| 10-year OAT | 5.75 | 5.63 |

*Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.*

## Gold

| | A.M. | P.M. | Ch'ge |
|---|---|---|---|
| Zurich | 324.00 | 323.50 | —2.60 |
| London | 324.05 | 323.55 | —0.55 |
| New York | 328.50 | 328.10 | —0.80 |

*U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Dec.)*
*Source: Reuters.*

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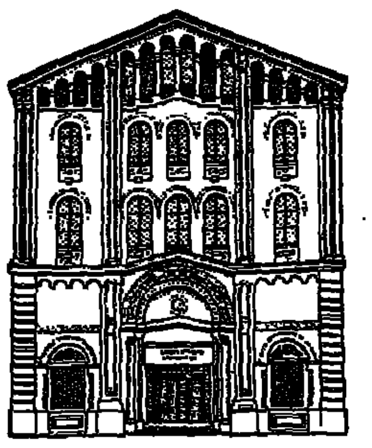
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MONACO TEL. 377/93 15 73 34 • VIENNA TEL. 431/531 50 120 • MONTEVIDEO TEL. 598 2/95 08 67 • MIAMI TEL. 1 305/375 78 14
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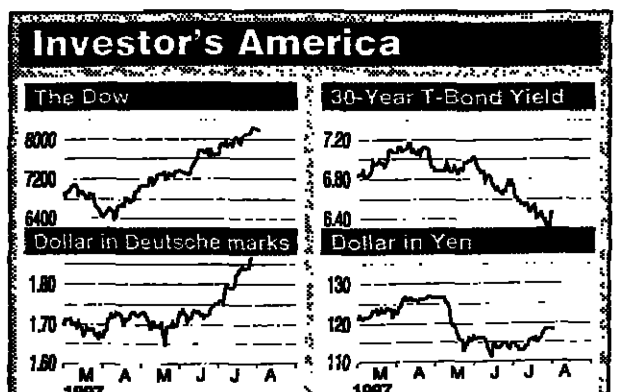
## THE AMERICAS

### Investor's America




| Exchange | Index | Monday @4 PM | Prev. Close | % Change |
|---|---|---|---|---|
| NYSE | The Dow | 8198.45 | 8194.04 | +0.05 |
| NYSE | S&P 500 | 950.30 | 947.14 | +0.33 |
| NYSE | S&P 100 | 928.01 | 923.26 | +0.51 |
| NYSE | Composite | 491.93 | 490.99 | +0.19 |
| U.S. | Nasdaq Composite | 1605.44 | 1594.32 | +0.70 |
| AMEX | Market Value | 646.59 | 644.18 | +0.37 |
| Toronto | TSE Index | 6651.14 | 6657.50 | -0.09 |
| São Paulo | Bovespa | 12954.39 | 12254.78 | +4.64 |
| Mexico City | Bolsa | 5089.44 | 5055.80 | +0.66 |
| Buenos Aires | Merval | 852.72 | 846.69 | +0.72 |
| Santiago | IPSA General | 5732.75 | 5735.98 | -0.06 |
| Caracas | Capital General | 9238.99 | 9436.48 | -2.10 |

Source: Bloomberg, Reuters — International Herald Tribune

# Coast-to-Coast Mobile Phone

By Seth Schiesel
*New York Times Service*

NEW YORK — With the aim of creating a new transcontinental wireless-telephone system, seven regional wireless companies from the United States and Canada announced an alliance Monday that would eventually allow customers to use the same mobile phone from Portland, Maine, to Portland, Oregon.

The seven companies are banding together in part because each has built its network around a digital wireless technology known as GSM, for global system for mobile communications. How much the partners will spend to link their networks is not clear, but a U.S.-wide network would be compatible with GSM systems elsewhere in the world, including Europe.

The system is the world's dominant digital wireless standard but has not found much favor in the United States, where such big national wireless carriers as AT&T and the Sprint PCS consortium have chosen rival technologies known as TDMA, for time division multiple access, and CDMA, for code division multiple access.

Because the carriers using GSM have tended to be smaller companies and regional Bell telephone companies, none of them bought licenses for use across the United States when the Federal Communications Commission auctioned the rights to offer a new generation of wireless phone service known as personal communications services a few years ago.

With AT&T, Sprint PCS and Nextel Communications, which cobbled together licenses previously used by truck dispatchers and the like, trumpeting their national networks, the regional GSM companies saw linking their smaller systems as a survival strategy.

"We really want to improve the competitiveness of each of the seven member companies in our markets," said Donald Warkentin, chief executive of Aerial Communications Inc. and chairman of the GSM alliance. "We see big benefits to continuing to run our companies as local companies, but we also want to be fully competitive with the national players."

In addition to Aerial, the other members of the alliance are Omnipoint Corp.; BellSouth Mobility, a unit of BellSouth Corp.; Microcell Telecommunications of Canada; Pacific Bell Mobile Services, a unit of SBC Communications; Powertel Inc., and Western Wireless Corp.

"This is actually pretty important," said Thomas Lee, an analyst for Smith Barney. "What it's going to really highlight is that the GSM carriers are all actually natural allies, not competitors, and they are really going to be in a position to be one of the true national" stock plays.

The alliance asserts that its members hold licenses to offer wireless service to roughly 97 percent of the U.S. population, plus 90 percent of Canadians. The only major U.S. markets that alliance members do not own licenses for are Chicago and Dallas.

Members currently offer service to about a quarter of the U.S. population.

# 'Many' at IMF Urge U.S. To Look at a Rate Rise

By Mitchell Martin
*International Herald Tribune*

The International Monetary Fund seems to have its doubts about the idea that America's economy has entered a new era, saying Monday that "many" members of its 24-person executive board think the Federal Reserve Board should consider raising interest rates to forestall inflation.

Market reaction was muted to the statement, which is unlikely to be a deciding factor in the Fed's deliberations. The central bank's policy-setting open-market committee is scheduled to hold its next meeting Aug. 19, and many expect it to maintain its current stance despite signs last week of accelerating economic growth.

The dollar rose after the IMF statement was reported by news agencies, but it remained below its highest levels of the day. An interest-rate increase would draw investors to the dollar as short-term deposit yields rose. But if the Fed refrained from such a move, the currency might benefit anyway if securities markets then added to the big gains they have made so far this year.

In its annual review of the American economy, which was largely complimentary toward U.S. authorities, the IMF said that "many" of the board members "cautioned that undue delay in tightening monetary policy could undermine the current expansion by increasing the risk that aggregate demand pressures would build," Bloomberg News reported from Washington.

"Several" directors, however, said the Fed did not need to raise rates, Bridge News reported.

The statement seemed not to take account of the pressure a rate rise would have on other economies, particularly those trying to forge a monetary union in Europe. In Germany, the Bundesbank has shown signs of unhappiness with the depreciation of the Deutsche mark, which was worth about 65 cents at the start of the year but only 54 cents Monday. American interest rates already are higher than those in Europe, which explains much of the dollar's attraction.

If German central bankers opt to raise interest rates to defend their currency, essentially forcing most other members of the European

**FOREIGN EXCHANGE**

Monetary System's exchange-rate mechanism to do the same, the continent's already slow economies would face new pressures as they strove to reduce their deficits to qualify for the planned monetary union. Germany and France, which are vital to the single-currency project, are struggling with high unemployment that makes budget-cutting difficult even under current conditions.

The IMF board members, however, tend to be "somewhat curmudgeonly," said Cary Leahey, chief U.S. economist at High-Frequency economics in Valhalla, New York. Their view is conservative, he said, "particularly since the United States' own central bank, which has a pretty good inflation-fighting record, has soft-pedaled" the threat of pricing pressures.

Mr. Leahey pointed out that Alan Greenspan, the Fed chairman, raised the same issue as the IMF in February in his semiannual testimony to Congress on central-bank policy. Last month, however, he downplayed the threat of inflation, indicating that the American economy might have entered a new era in which technological advances have vastly increased productivity. If this is the case, then the economy has room to grow more rapidly than the 2 percent to 2.5 percent rate that the central bank had been viewing as be the limit before serious inflation would set in.

Economic statistics, however, do not directly support this theory, although indirect measures provide evidence that productivity gains are being undercounted.

In 4 P.M. trading in New York, the dollar was quoted at 1.8663 DM, up from 1.8630 DM on Friday, at 118.350 yen, down from 118.385 yen, and at 1.5253 Swiss francs, down from 1.5267 francs. It was also trading at 6.2935 French francs, up from 6.2820 francs. The pound rose to $1.6317 from $1.6315.

## Very briefly:

- **Dow Chemical Co.** agreed Monday to buy **Sentrachem Ltd.**, a South African maker of agricultural and other specialty chemicals, for 2.07 billion rand ($449 million).
- **Time Warner Inc.** plans to sell seven cable systems as part of a plan to pare the company's debt of $17 billion. The systems, which analysts valued at about $350 million, serve 154,000 customers in Louisiana, Mississippi, Tennessee and Michigan.
- **Oracle Corp.** will buy the privately held software company **Treasury Services Corp.** for $120 million. Treasury Services provides profitability and risk-analysis applications for large financial institutions.
- **Henry Schein Inc.** agreed Monday to buy **Sullivan Dental Products Inc.** for about $318 million in stock, making it the world's largest distributor of dental equipment and supplies.
- **Kohlberg, Kravis, Roberts & Co.**, the leveraged-buyout specialist, is considering making a bid for **Fisher Scientific International**, a maker of laboratory equipment, sources said.
- **Microsoft Corp.** has filed two lawsuits to try to stop people from making its programs available on the Internet for downloading without paying licensing fees. *Bloomberg*

# IBM and Motorola Ship New Chips

*The Associated Press*

NEW YORK — International Business Machines Corp. and Motorola Inc. introduced PowerPC computer chips Monday that were said to be speedier and more efficient than their predecessors, advances that could double the performance of some Macintosh computers.

The chip introduction came a day before the MacWorld trade show begins in Boston, where Apple Computer Inc., which makes the Macintosh, hopes its new machines will inspire the excitement needed to help revive its sagging fortunes.

The PowerPC 604e, a new version of an existing chip, now runs at speeds of as much as 350 megahertz. The 740 and 750 chips, a new design, run at maximum speeds of 266 megahertz but generate less heat than other microprocessors. That advantage makes them useful for laptop computers, which are less tolerant of heat than larger machines.

"We're giving them a huge jump in performance without any increase in price of the processor," said Will Swearingen, Motorola's product-marketing manager for the PowerPC chip.

Computers running on the new chips will be introduced in the next few months, company executives said. The new chips also represent the latest attempt by IBM and Motorola to give a boost to their lagging microprocessor efforts.

## Weekend Box Office

*The Associated Press*

LOS ANGELES — "Air Force One" dominated the U.S. box office over the weekend, with a gross of $26.2 million. Following are the Top 10 moneymakers, based on Friday's ticket sales and estimated sales for Saturday and Sunday.

| | | |
|---|---|---|
| 1. Air Force One | (Columbia Pictures) | $26.2 million |
| 2. Spawn | (New Line Cinema) | $21.5 million |
| 3. George of the Jungle | (Walt Disney) | $8.4 million |
| 4. Men in Black | (Columbia Pictures) | $8 million |
| 5. Picture Perfect | (Twentieth Century-Fox) | $7.5 million |
| 6. Contact | (Warner Bros.) | $6.1 million |
| 7. Air Bud | (Walt Disney) | $4.7 million |
| 8. Nothing to Lose | (Touchstone Pictures) | $4.3 million |
| 9. Face/Off | (Paramount) | $3.8 million |
| 10. Good Burger | (Paramount) | $3.6 million |

# Technology and Retailers Give Stocks a Boost

*Compiled by Our Staff From Dispatches*

NEW YORK — Stock prices were higher Monday, led by technology and retail shares, despite weakness in bond prices.

Intel led a semiconductor rally that drove the Nasdaq composite index above 1,600 for the first time.

Investors also speculated that the retailers would post better-than-expected sales results this week.

"Valuations are high, and investors want constant reinforcement the perfect economic scenario is still intact," said Barbara Marcin, a money manager with Citibank Global Asset Management.

The Dow Jones industrial average closed 4.41 points higher at 8,198.45.

**U.S. STOCKS**

The Standard & Poor's 500 Index rose 3.16 points to 950.30. The Nasdaq gained 11.11 to 1,605.44.

The slow-growth, low-inflation picture that has been sending stocks to records since April was shaken Friday by unexpectedly strong reports on jobs and manufacturing. The reports revived concern that the Federal Reserve Board might raise rates to keep inflation in check.

That fear sent the benchmark 30-year Treasury bond down 10/32 to 101 30/32, taking the yield up to 6.48 percent from 6.45 percent Friday.

Even a report Monday showing that U.S. construction spending unexpectedly fell 1.1 percent in June to the lowest level since January failed to give bond prices a lift.

Some investors said there was no reason for the rally to the end if corporate profits grow.

GM fell after the largest U.S. automaker announced it would buy back $2.5 billion in stock, its second big buyback program in a year. The company left its dividend unchanged, disappointing investors. *(Bloomberg, AP)*

## AMEX

**Monday's 4 P.M. Close**
The top 300 most active shares, up to the closing on Wall Street.
*The Associated Press.*

| Stock | Sales | High | Low | Latest | Chge |
|---|---|---|---|---|---|
| ARC | 869 | 5¼ | 5⅛ | 5¼ | +⅛ |
| ARM Fn n | 817 | 20½ | 20 | 20 | -⅛ |
| AcmeU | 124 | 6⅞ | 6¼ | 6⅞ | +⅝ |
| Aerosn | 118 | 12½ | 12⅜ | 12½ | +⅛ |
| AirWat | 99 | 3⅞ | 3⅞ | 3⅞ | +⅛ |
| AHoogen | 154 | 16⅝ | 16⅜ | 16⅜ | -⅛ |
| Alfin | 128 | ¾ | ⅝ | ¾ | — |
| AlldRsh | 144 | 10 | 9⅞ | 10 | +⅛ |
| Alphaln | 491 | 14 | 13⅝ | 13¾ | +⅛ |
| AltLvng n | 2049 | 23⅞ | 22⅞ | 23⅞ | +2 |
| Amdhl | 4467 | 11⅞ | 11⅝ | 11⅝ | +⅛ |
| AExpl | 524 | 14⅜ | 14⅛ | 14⅛ | +⅛ |
| AIM 84 | 367 | 3⅞ | 3½ | 3½ | -⅛ |
| AIM 85 | 200 | 15 | 14⅞ | 14⅞ | +⅛ |
| ASciE | 146 | 9⅝ | 9⅝ | 9⅝ | +⅛ |
| Ampal | 214 | 5⅞ | 5⅞ | 5⅞ | — |
| Ampex | 2537 | 5⅜ | 4⅞ | 5⅜ | +⅛ |
| Andrea | 440 | 13⅝ | 12⅞ | 13⅝ | +⅝ |
| Apogee | 246 | 3½ | 3⅜ | 3⅜ | +⅛ |
| ApplsOil n | 328 | 12 | 11⅝ | 11⅞ | -⅛ |
| AsdLvng s | 409 | 16½ | 15⅞ | 16 | +⅛ |
| Astrotc | 534 | 8⅞ | 8⅝ | 8⅝ | -⅛ |
| AtlTele | 161 | 12⅞ | 12⅛ | 12⅜ | -⅛ |
| Audvox | 365 | 7⅞ | 7⅝ | 7⅝ | -⅛ |
| Audiotxt | 301 | 1⅛ | 1⅛ | 1⅛ | -⅛ |
| AvenEnt n | 191 | 8⅞ | 8⅝ | 8⅝ | -⅛ |
| Axco | 158 | 1⅛ | 1⅛ | 1⅛ | +⅛ |
| B&HO | 140 | 4⅝ | 4⅝ | 4⅝ | +⅛ |
| BAT Ind | 2747 | 17 | 16⅝ | 17 | +⅛ |
| BFX Hosp | 102 | 2⅞ | 2⅞ | 2⅞ | -⅛ |
| Baker | 365 | 8 | 7⅞ | 7⅞ | +⅛ |
| Balchem | 127 | 14½ | 14 | 14⅛ | -⅛ |
| Bellatry s | 313 | 20⅝ | 20⅛ | 20⅛ | -⅛ |
| BerrLab s | 301 | 43½ | 42⅞ | 43⅛ | -⅛ |
| Bayou | 178 | 4⅞ | 4⅞ | 4⅞ | -⅛ |
| BemaGold | 942 | 6⅝ | 6⅝ | 6⅝ | -⅛ |
| BestPh | 118 | 3⅛ | 3 | 3 | — |
| BioR A | 191 | 27½ | 27⅛ | 27⅛ | — |
| BiscAp | 168 | ⅝ | ⅝ | ⅝ | — |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

## U. S. STOCK MARKET DIARY

### Indexes

**Dow Jones**

| | Open | High | Low | Last | Chg. |
|---|---|---|---|---|---|
| Indus | 8168.26 | 8215.87 | 8134.11 | 8198.45 | +4.41 |
| Trans | 2953.65 | 2982.71 | 2949.29 | 2976.49 | +25.19 |
| Util | 232.07 | 233.49 | 231.49 | 232.90 | -0.59 |
| Comp | 2516.11 | 2530.92 | 2511.88 | 2526.81 | +6.09 |

**Standard & Poors**

| | High | Previous Low | Close | Today 4:00 |
|---|---|---|---|---|
| Industrials | — | — | 1112.26 | 1117.63 |
| Transp. | — | — | 676.73 | 683.40 |
| Utilities | — | — | 200.55 | 199.77 |
| Finance | — | — | 110.21 | 109.85 |
| SP 500 | — | — | 947.14 | 950.30 |
| SP 100 | — | — | 923.26 | 928.01 |

**NYSE**

| | High | Low | Last | Chg. |
|---|---|---|---|---|
| Composite | 493.21 | 489.08 | 491.93 | +0.95 |
| Industrials | 624.60 | 618.56 | 622.83 | +1.61 |
| Transp. | 447.29 | 442.94 | 447.29 | +3.93 |
| Utility | 291.98 | 289.52 | 291.60 | +1.40 |
| Finance | 459.40 | 456.77 | 458.13 | -1.27 |

**Nasdaq**

| | High | Low | Last | Chg. |
|---|---|---|---|---|
| Composite | 1605.51 | 1590.73 | 1605.43 | +11.10 |
| Industrials | 1265.45 | 1257.44 | 1265.45 | +2.78 |
| Banks | 1722.67 | 1714.36 | 1722.67 | +8.57 |
| Insurance | 1716.19 | 1706.08 | 1715.31 | -2.84 |
| Finance | 2047.18 | 2038.52 | 2043.35 | -5.18 |
| Transp. | 1038.32 | 1027.52 | 1037.05 | +6.41 |

**AMEX**

| | High | Low | Last | Chg. |
|---|---|---|---|---|
| | 646.63 | 642.56 | 646.59 | +2.40 |

**Dow Jones Bond**

| | Previous Close | Today Noon |
|---|---|---|
| 20 Bonds | 104.42 | 104.45 |
| 10 Utilities | 101.88 | 101.93 |
| 10 Industrials | 106.95 | 106.98 |

### Most Actives

**NYSE**

| | Vol. | High | Low | Last | Chg. |
|---|---|---|---|---|---|
| ChesEng s | 71208 | 8⅝ | 6⅝ | 8 | +1 |
| MicrnT | 61020 | 52⅝ | 50 | 51½ | +⅛ |
| Unisys | 58421 | 11 | 10½ | 11 | -⅛ |
| USWM | 56271 | 23½ | 22⅝ | 23⅛ | +1⅛ |
| US Filter | 55989 | 34⅞ | 32⅞ | 34⅛ | -⅛ |
| AT&T s | 55461 | 37⅞ | 36⅞ | 37⅞ | +⅛ |
| GenElec s | 52749 | 69⅞ | 67⅞ | 67⅞ | -1⅛ |
| Compaq s | 48164 | 58⅞ | 57 | 57⅞ | -⅛ |
| CalHCA s | 45838 | 33⅞ | 32⅝ | 33⅞ | +⅛ |
| StcnGph | 43844 | 27⅞ | 24⅞ | 27⅞ | +2⅛ |
| GnMotr | 43626 | 64⅞ | 62⅞ | 62⅞ | -1⅛ |
| PhilMor s | 43461 | 45⅞ | 44⅝ | 44⅝ | -⅛ |
| NiSem | 35416 | 32⅛ | 30⅞ | 32⅛ | +⅝ |
| PG&E Cp | 34929 | 24⅞ | 24⅛ | 24⅛ | -⅛ |
| LSI Log | 34836 | 33½ | 32⅞ | 33⅞ | +1⅛ |

**Nasdaq**

| | Vol. | High | Low | Last | Chg. |
|---|---|---|---|---|---|
| Intel s | 173404 | 97 | 92⅝ | 96⅜ | +3⅛ |
| NatseCT | 171572 | 1⅞ | 1⅛ | 1⅛ | -⅛ |
| NetstCm | 96094 | 27⅞ | 24⅞ | 26⅞ | +2⅛ |
| AlphaBio | 84735 | 8 | 5⅞ | 6⅞ | -4⅞ |
| SyQstTc | 83886 | 3⅞ | 2⅝ | 3⅛ | +⅝ |
| Cisco | 70028 | 82 | 80⅞ | 81⅞ | +1⅛ |
| DellCpt s | 64082 | 85⅞ | 83 | 83⅞ | -1⅛ |
| Quantum s | 60934 | 31½ | 29 | 31⅛ | +1⅛ |
| 3Com | 60576 | 56⅛ | 53⅞ | 55⅞ | +1⅛ |
| Microsft s | 57426 | 142 | 139⅞ | 141⅞ | +⅛ |
| AppleC | 54630 | 19⅞ | 17⅞ | 19⅛ | +⅛ |
| AppldMat | 51543 | 95⅞ | 93⅞ | 94⅞ | -2⅛ |
| MCI | 49103 | 34 | 33⅞ | 33⅞ | -⅛ |
| Excorbel | 47957 | ⅞ | ⅝ | ⅝ | +⅛ |
| Ascend | 46339 | 54⅞ | 52⅞ | 53⅞ | +⅛ |

**AMEX**

| | Vol. | High | Low | Last | Chg. |
|---|---|---|---|---|---|
| JTS Corp | 26339 | ⅞ | ⅝ | ⅝ | -⅛ |
| SPDR | 23206 | 95⅞ | 94⅞ | 95⅛ | +⅛ |
| XCL Ltd | 10570 | ⅝ | ⅝ | ⅝ | -⅛ |
| Hasbro s | 9971 | 31 | 30⅞ | 30⅞ | -⅛ |
| DI Ind | 9602 | 5⅞ | 4⅞ | 5⅞ | +1⅛ |
| TWA | 9400 | 7⅞ | 7 | 7⅛ | -⅛ |
| PLC Sys | 7803 | 12⅛ | 11⅛ | 11⅞ | -⅛ |
| IvaxCp | 6842 | 9⅞ | 9⅛ | 9⅛ | +⅛ |
| Amdhl | 4467 | 11⅞ | 11⅝ | 11⅝ | +⅛ |
| VistaG g | 4400 | ⅞ | ⅞ | ⅞ | — |

### Trading Activity

**NYSE**

| | Close | Prev. |
|---|---|---|
| Advanced | 1496 | 1063 |
| Declined | 1380 | 1842 |
| Unchanged | 539 | 498 |
| Total issues | 3415 | 3403 |
| New Highs | 214 | 209 |
| New Lows | 15 | 14 |

**Nasdaq**

| | Noon | Prev. |
|---|---|---|
| Advanced | 1625 | 1945 |
| Declined | 1747 | 2160 |
| Unchanged | 2131 | 1622 |
| Total issues | 5503 | 5727 |
| New Highs | 140 | 223 |
| New Lows | 65 | 57 |

**AMEX**

| | Close | Prev. |
|---|---|---|
| Advanced | 301 | 254 |
| Declined | 288 | 306 |
| Unchanged | 145 | 168 |
| Total issues | 734 | 728 |
| New Highs | 46 | 30 |
| New Lows | 5 | 8 |

**Market Sales**

| | Today 4:00 | Prev. cons. |
|---|---|---|
| NYSE | 456.00 | 623.49 |
| Amex | 21.50 | 34.58 |
| Nasdaq | 560.28 | 584.02 |

*In millions.*

### Dividends

| Company | Per | Amt | Rec | Pay |
|---|---|---|---|---|
| **IRREGULAR** | | | | |
| Allied Cap Commcl | - | .53 | 9-19 | 9-30 |
| Allied Cap Mng | - | .64 | 8-14 | 8-21 |
| Sthn Peru Copper | - | .37 | 8-15 | 9-2 |
| Unimar Co | - | .49 | 8-14 | 8-29 |
| **INCREASED** | | | | |
| Conestoga Enterpr | Q | .305 | 8-29 | 9-15 |
| Heritage Bncp | Q | .13 | 9-15 | 9-30 |
| Patriot Bk | Q | .0925 | 8-18 | 8-29 |
| **YEAREND** | | | | |
| KLM Royal Dutch | g | .4853 | 8-7 | 8-26 |
| **INITIAL** | | | | |
| Ambanc Holding | - | .05 | 8-15 | 8-31 |
| Fst Banking | - | .15 | 9-15 | 9-30 |
| **REGULAR** | | | | |
| Arctic Cat | Q | .06 | 8-20 | 9-3 |
| Block Drug A | Q | .31 | 9-12 | 10-1 |
| Coastal Bncp | Q | .12 | 8-15 | 9-15 |
| Commun Tr Bncp | Q | .18 | 9-15 | 10-1 |
| Computer Lang | Q | .10 | 8-14 | 8-29 |
| Cracker Barrel | Q | .005 | 9-12 | 9-26 |
| D&E Commun | Q | .0967 | 8-29 | 9-15 |
| Developers Div | Q | .63 | 8-13 | 9-30 |
| Fst Fin Bkshrs Inc | Q | .25 | 9-15 | 10-1 |
| Fulton Fincl | Q | .17 | 9-22 | 10-15 |
| General Binding | Q | .11 | 8-22 | 9-22 |
| General Motors | Q | .50 | 8-14 | 9-14 |
| Hancock Pat Sel | M | .1031 | 8-11 | 8-29 |
| Hatteras Income | M | .095 | 8-15 | 8-29 |
| Haverty Furn | Q | .08 | 8-12 | 8-25 |
| Haverty Furn A | Q | .075 | 8-12 | 8-25 |
| Libbey Inc | Q | .075 | 8-14 | 9-4 |
| Natures Sunshine | Q | .0333 | 8-12 | 8-19 |
| Oregon Steel | Q | .14 | 8-15 | 8-29 |
| Pac Capital Bncp | Q | .165 | 9-15 | 9-30 |
| Prestige Bncp | Q | .03 | 9-2 | 9-22 |
| PrimeSource Corp | Q | .045 | 8-15 | 9-2 |
| SJW Corp | Q | .57 | 8-11 | 9-1 |
| St Francis Cap | Q | .12 | 8-11 | 8-22 |
| Schawk Inc A | Q | .065 | 9-16 | 9-30 |
| Security Bk Hld | S | .11 | 8-12 | 8-19 |
| Showboat Inc | Q | .025 | 9-15 | 10-10 |
| Superior Surg | Q | .11 | 8-11 | 8-22 |
| Trustmark Corp | Q | .14 | 9-2 | 9-15 |
| VanKam AdvMun | M | .08 | 8-15 | 8-29 |
| WHG Bncshrs | - | .05 | 8-20 | 9-10 |
| Zweig Total Ret | M | .07 | 8-11 | 8-25 |

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

### Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.
a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99.cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

## INTERNATIONAL FUTURES

**Aug. 4, 1997**

| | High | Low | Latest | Chge | Opint |
|---|---|---|---|---|---|
| **Grains** | | | | | |
| **CORN (CBOT)** 5,000 bu minimum- cents per bushel | | | | | |
| Sep 97 | 275 | 262½ | 263¾ | -4¼ | 58,530 |
| Dec 97 | 276 | 263 | 265 | -4 | 151,581 |
| Mar 98 | 283 | 271 | 273 | -3¼ | 32,258 |
| May 98 | 286½ | 276 | 277½ | -3½ | 6,950 |
| Jul 98 | 289 | 279 | 280½ | -3½ | 11,824 |
| Sep 98 | 270 | 262½ | 263¼ | -4½ | 1,343 |
| Dec 98 | 271 | 263¾ | 264¾ | -4 | 6,276 |
| Est. sales 90,000 Fri's sales 74,251 | | | | | |
| Fri's open int 268,841, up 3,201 | | | | | |
| **SOYBEAN MEAL (CBOT)** 100 tons- dollars per ton | | | | | |
| Aug 97 | 261.50 | 255.00 | 260.30 | +4.30 | 13,995 |
| Sep 97 | 236.60 | 231.00 | 234.10 | +1.10 | 20,210 |
| Oct 97 | 225.00 | 216.50 | 219.70 | -1.00 | 15,936 |
| Dec 97 | 222.00 | 211.50 | 213.30 | -3.30 | 39,294 |
| Jan 98 | 218.00 | 210.00 | 210.30 | -3.90 | 5,748 |
| Mar 98 | 215.00 | 208.00 | 208.30 | -3.40 | 8,032 |
| Est. sales 27,000 Fri's sales 27,746 | | | | | |
| Fri's open int 109,263, up 698 | | | | | |
| **SOYBEAN OIL (CBOT)** 60,000 lbs- cents per lb | | | | | |
| Aug 97 | 22.45 | 21.87 | 21.95 | -0.13 | 3,861 |
| Sep 97 | 22.70 | 22.05 | 22.12 | -0.16 | 20,794 |
| Oct 97 | 22.85 | 22.22 | 22.26 | -0.16 | 15,886 |
| Dec 97 | 23.45 | 22.52 | 22.59 | -0.15 | 43,628 |
| Jan 98 | 23.35 | 22.73 | 22.75 | -0.15 | 6,426 |
| Mar 98 | 23.65 | 22.98 | 23.02 | -0.21 | 4,604 |
| Est. sales 20,000 Fri's sales 24,480 | | | | | |
| Fri's open int 98,634, off 512 | | | | | |
| **SOYBEANS (CBOT)** 5,000 bu minimum- cents per bushel | | | | | |
| Aug 97 | 778 | 757 | 765¼ | +3¼ | 12,821 |
| Sep 97 | 706½ | 672½ | 677½ | -6¼ | 17,140 |
| Nov 97 | 675 | 642½ | 646¼ | -9¼ | 74,050 |
| Jan 98 | 679 | 647½ | 650¾ | -9 | 15,832 |
| Mar 98 | 682 | 655½ | 659 | -8¾ | 5,192 |
| Est. sales 56,000 Fri's sales 46,665 | | | | | |
| Fri's open int 132,626, off 814 | | | | | |
| **WHEAT (CBOT)** 5,000 bu minimum- cents per bushel | | | | | |
| Sep 97 | 367 | 353½ | 354¾ | -6¾ | 40,753 |
| Dec 97 | 383 | 368 | 369½ | -7 | 43,094 |
| Mar 98 | 391 | 378½ | 380¼ | -7½ | 13,537 |
| May 98 | 391 | 381 | 381½ | -7 | 1,281 |
| Est. sales 27,000 Fri's sales 18,499 | | | | | |
| Fri's open int 103,274, up 266 | | | | | |
| **Livestock** | | | | | |
| **CATTLE (CMER)** 40,000 lbs.- cents per lb | | | | | |
| Aug 97 | 67.40 | 66.90 | 67.30 | -0.22 | 19,799 |
| Oct 97 | 70.47 | 70.02 | 70.30 | -0.22 | 51,033 |
| Dec 97 | 72.37 | 71.80 | 72.12 | -0.45 | 20,772 |
| Feb 98 | 73.52 | 73.02 | 73.37 | -0.17 | 9,782 |
| Apr 98 | 75.20 | 74.65 | 75.02 | -0.12 | 3,667 |
| Jun 98 | 71.90 | 71.47 | 71.75 | -0.07 | 2,843 |
| Est. sales 14,000 Fri's sales 11,821 | | | | | |
| Fri's open int 108,242, up 1,715 | | | | | |
| **FEEDER CATTLE (CMER)** 50,000 lbs.- cents per lb. | | | | | |
| Aug 97 | 81.57 | 80.47 | 80.90 | -0.62 | 8,325 |
| Sep 97 | 81.15 | 80.30 | 80.90 | -0.45 | 3,611 |
| Oct 97 | 81.30 | 80.25 | 81.05 | -0.45 | 5,898 |
| Nov 97 | 82.50 | 81.55 | 82.17 | -0.45 | 3,496 |
| Jan 98 | 82.65 | 81.90 | 82.37 | -0.22 | 1,844 |
| Mar 98 | 82.30 | 81.75 | 82.05 | -0.25 | 853 |
| Est. sales 2,366 Fri's sales 33,291 | | | | | |
| Fri's open int 24,443, off 130 | | | | | |
| **HOGS-Lean (CMER)** 40,000 lbs.- cents per lb. | | | | | |
| Aug 97 | 82.90 | 81.90 | 82.85 | +0.67 | 8,372 |
| Oct 97 | 76.00 | 75.15 | 75.92 | +0.35 | 17,672 |
| Dec 97 | 71.75 | 70.90 | 71.67 | +0.47 | 6,313 |
| Feb 98 | 70.00 | 69.25 | 69.92 | +0.22 | 2,311 |
| Apr 98 | 65.05 | 64.57 | 64.97 | +0.25 | 1,445 |
| Est. sales 6,148 Fri's sales 9,003 | | | | | |
| Fri's open int 37,713, up 771 | | | | | |
| **PORK BELLIES (CMER)** 40,000 lbs.- cents per lb | | | | | |
| Aug 97 | 89.40 | 87.35 | 89.15 | +1.15 | 2,575 |
| Feb 98 | 79.40 | 77.40 | 78.55 | -0.70 | 3,295 |
| Mar 98 | 78.90 | 77.65 | 78.90 | +1.25 | 73 |
| Est. sales 2,593 Fri's sales 4,141 | | | | | |
| Fri's open int 5,981, up 145 | | | | | |
| **Food** | | | | | |
| **COCOA (NCSE)** 10 metric tons- $ per ton | | | | | |
| Sep 97 | 1527 | 1495 | 1500 | -17 | 22,175 |
| Dec 97 | 1570 | 1546 | 1546 | -18 | 25,444 |
| Mar 98 | 1600 | 1574 | 1580 | -18 | 24,907 |
| May 98 | 1621 | 1599 | 1599 | -19 | 10,994 |
| Jul 98 | 1634 | 1619 | 1619 | -17 | 1,516 |
| Sep 98 | 1664 | 1639 | 1639 | -17 | 3,742 |
| Est. sales 5,609 Fri's sales 5,026 | | | | | |
| Fri's open int 100,306, off 710 | | | | | |
| **COFFEE C (NCSE)** 37,500 lbs.- cents per lb. | | | | | |
| Sep 97 | 196.75 | 183.00 | 193.75 | +8.80 | 9,114 |
| Dec 97 | 169.50 | 160.50 | 168.70 | +6.40 | 6,364 |
| Mar 98 | 152.00 | 146.00 | 151.55 | +4.25 | 3,277 |
| May 98 | 146.00 | 141.00 | 145.00 | +3.75 | 930 |
| Jul 98 | 142.50 | 137.50 | 140.50 | +3.00 | 565 |
| Est. sales 6,814 Fri's sales 2,622 | | | | | |
| Fri's open int 20,637, off 1,157 | | | | | |
| **SUGAR-WORLD 11 (NCSE)** 112,000 lbs.- cents per lb | | | | | |
| Oct 97 | 11.68 | 11.56 | 11.58 | -0.07 | 112,604 |
| Mar 98 | 11.84 | 11.75 | 11.77 | -0.07 | 57,745 |
| May 98 | 11.79 | 11.71 | 11.77 | -0.08 | 12,340 |
| Jul 98 | 11.70 | 11.61 | 11.64 | -0.05 | 7,177 |
| Est. sales 11,608 Fri's sales 25,973 | | | | | |
| Fri's open int 193,913, up 443 | | | | | |

| | High | Low | Latest | Chge | Opint |
|---|---|---|---|---|---|
| **ORANGE JUICE (NCTN)** 15,000 lbs.- cents per lb. | | | | | |
| Sep 97 | 75.80 | 74.60 | 75.10 | -0.45 | 16,689 |
| Nov 97 | 77.80 | 76.80 | 77.20 | -0.30 | 8,477 |
| Jan 98 | 80.80 | 80.00 | 80.20 | -0.30 | 3,753 |
| Mar 98 | 83.70 | 82.50 | 83.25 | -0.20 | 2,563 |
| Est. sales N.A. Fri's sales 1,084 | | | | | |
| Fri's open int 32,486, up 121 | | | | | |
| **Metals** | | | | | |
| **GOLD (NCMX)** 100 troy oz.- dollars per troy oz. | | | | | |
| Aug 97 | 324.70 | 323.50 | 323.90 | -0.80 | 1,861 |
| Sep 97 | | | 324.70 | -0.80 | 2 |
| Oct 97 | 327.40 | 325.50 | 326.00 | -0.80 | 14,825 |
| Dec 97 | 329.50 | 327.60 | 328.10 | -0.80 | 103,377 |
| Feb 98 | 330.90 | 330.00 | 330.40 | -0.80 | 12,318 |
| Apr 98 | | | 332.40 | -0.80 | 5,179 |
| Jun 98 | 335.00 | 334.70 | 334.70 | -0.80 | 7,615 |
| Aug 98 | | | 337.00 | -0.80 | 3,111 |
| Oct 98 | | | 339.30 | -0.80 | 106 |
| Est. sales 16,000 Fri's sales 30,497 | | | | | |
| Fri's open int 186,589, up 1,876 | | | | | |
| **HI GRADE COPPER (NCMX)** 25,000 lbs.- cents per lb | | | | | |
| Aug 97 | 106.50 | 105.10 | 106.40 | -0.55 | 3,099 |
| Sep 97 | 107.40 | 104.70 | 106.20 | -1.05 | 20,508 |
| Oct 97 | 105.40 | 105.10 | 105.10 | -1.15 | 1,679 |
| Nov 97 | 104.75 | 104.50 | 104.50 | -1.25 | 1,358 |
| Dec 97 | 104.50 | 103.00 | 103.90 | -1.25 | 7,718 |
| Jan 98 | | | 103.50 | -1.15 | 645 |
| Feb 98 | 102.90 | 102.40 | 102.40 | -1.45 | 615 |
| Mar 98 | 102.20 | 101.70 | 101.70 | -1.35 | 2,395 |
| Apr 98 | 100.85 | 100.30 | 100.85 | -1.35 | 398 |
| Est. sales 6,000 Fri's sales 7,067 | | | | | |
| Fri's open int 42,622, up 199 | | | | | |
| **SILVER (NCMX)** 5,000 troy oz.- cents per troy oz. | | | | | |
| Aug 97 | | | 448.60 | +3.70 | |
| Sep 97 | 454.00 | 445.50 | 450.70 | +3.70 | 55,064 |
| Oct 97 | | | 454.40 | +3.70 | 78 |
| Dec 97 | 460.50 | 451.00 | 457.20 | +3.70 | 18,003 |
| Jan 98 | | | 458.90 | +3.70 | 20 |
| Mar 98 | 464.00 | 460.50 | 463.60 | +3.70 | 10,334 |
| May 98 | | | 467.60 | +3.70 | 2,968 |
| Jul 98 | | | 471.60 | +3.70 | 2,093 |
| Est sales 10,000 Fri's sales 14,413 | | | | | |
| Fri's open int 93,511, off 3,532 | | | | | |
| **PLATINUM (NMER)** 50 troy oz.- dollars per troy oz | | | | | |
| Oct 97 | 458.00 | 438.50 | 455.20 | +16.70 | 12,744 |
| Jan 98 | 447.00 | 434.00 | 445.20 | +17.70 | 2,508 |
| Apr 98 | 442.00 | 423.50 | 438.20 | +18.70 | 405 |
| Est. sales 3,671 Fri's sales 2,949 | | | | | |
| Fri's open int 15,657, up 210 | | | | | |

**LONDON METALS (LME)** Dollars per metric ton

| | Close | | Previous | |
|---|---|---|---|---|
| **Aluminum (High Grade)** | | | | |
| Spot | 1741.00 | 1742.00 | 1740.00 | 1741.00 |
| Forward | 1734.00 | 1735.00 | 1736½ | 1737.00 |
| **Copper Cathodes (High Grade)** | | | | |
| Spot | 2319.00 | 2322.00 | 2339.00 | 2342.00 |
| Forward | 2290.00 | 2291.00 | 2310.00 | 2311.00 |
| **Lead** | | | | |
| Spot | 627½ | 623½ | 626.00 | 627.00 |
| Forward | 634.00 | 637.00 | 638½ | 639.00 |
| **Nickel** | | | | |
| Spot | 7205.00 | 7215.00 | 7400.00 | 7405.00 |
| Forward | 7300.00 | 7310.00 | 7485.00 | 7490.00 |
| **Tin** | | | | |
| Spot | 5545.00 | 5565.00 | 5605.00 | 5615.00 |
| Forward | 5590.00 | 5600.00 | 5640.00 | 5650.00 |
| **Zinc (Special High Grade)** | | | | |
| Spot | 1584.00 | 1587.00 | 1549.00 | 1552.00 |
| Forward | 1488.00 | 1489.00 | 1465.00 | 1466.00 |

| | High | Low | Close | Chge | Opint |
|---|---|---|---|---|---|
| **Financial** | | | | | |
| **US T BILLS (CMER)** $1 million- pts of 100 pct. | | | | | |
| Sep 97 | 94.89 | 94.87 | 94.88 | -0.01 | 7,017 |
| Dec 97 | 94.77 | 94.77 | 94.77 | -0.02 | 786 |
| Mar 98 | | | 94.67 | -0.02 | 43 |
| Est. sales 613 Fri's sales 830 | | | | | |
| Fri's open int 7,846, up 67 | | | | | |
| **5 YR TREASURY (CBOT)** $100,000 prin- pts & 64ths of 100 pct | | | | | |
| Sep 97 | 107-20 | 107-00 | 107-08 | -07 | 220,890 |
| Dec 97 | 106-57 | 106-57 | 106-57 | -07 | 9,884 |
| Est. sales 17,100 Fri's sales 92,448 | | | | | |
| Fri's open int 230,774, off 3,791 | | | | | |
| **10 YR TREASURY (CBOT)** $100,000 prin- pts & 32nds of 100 pct | | | | | |
| Sep 97 | 109-30 | 109-17 | 109-24 | -04 | 377,263 |
| Dec 97 | 109-20 | 109-09 | 109-14 | -05 | 23,752 |
| Mar 98 | | | 109-05 | -04 | 771 |
| Est sales 69,960 Fri's sales 181,331 | | | | | |
| Fri's open int 401,786, off 661 | | | | | |
| **US TREASURY BONDS (CBOT)** (8 pct-$100,000-pts & 32nds of 100 pct) | | | | | |
| Sep 97 | 115-00 | 114-12 | 114-21 | -05 | 526,575 |
| Dec 97 | 114-20 | 114-01 | 114-09 | -06 | 45,215 |
| Mar 98 | 114-00 | 113-24 | 114-00 | -05 | 31,654 |
| Jun 98 | 113-20 | 113-14 | 113-20 | -05 | 2,138 |
| Est. sales 220,000 Fri's sales 724,209 | | | | | |
| Fri's open int 607,256, up 816 | | | | | |
| **10-YEAR FRENCH GOV. BONDS (MATIF)** FF500,000 - pts of 100 pct | | | | | |
| Sep 97 | 130.16 | 129.68 | 129.76 | — 0.44 | 188,917 |
| Dec 97 | 99.10 | 98.72 | 98.70 | — 0.42 | 9,839 |
| Mar 98 | 98.32 | 98.32 | 98.10 | — 0.42 | 0 |
| Est. sales: 134,768. | | | | | |
| Open int.: 198,756 off 6,373. | | | | | |
| **LIBOR 1-MONTH (CMER)** $3 million- pts of 100 pct. | | | | | |
| Aug 97 | 94.36 | 94.35 | 94.35 | -0.01 | 21,552 |
| Sep 97 | 94.35 | 94.34 | 94.34 | Unch. | 9,371 |
| Oct 97 | 94.33 | 94.31 | 94.32 | Unch. | 4,881 |
| Est. sales 3,941 Fri's sales 7,751 | | | | | |
| Fri's open int 42,529, up 1,563 | | | | | |
| **EURODOLLARS (CMER)** $1 million-pts of 100 pct. | | | | | |
| Aug 97 | 94.28 | 94.27 | 94.28 | Unch. | 22,841 |
| Sep 97 | 94.27 | 94.25 | 94.26 | Unch. | 528,357 |
| Oct 97 | 94.17 | 94.16 | 94.17 | -0.01 | 2,946 |
| Dec 97 | 94.11 | 94.07 | 94.09 | -0.01 | 471,513 |
| Mar 98 | 94.03 | 93.98 | 94.00 | -0.02 | 342,197 |
| Jun 98 | 93.92 | 93.86 | 93.89 | -0.03 | 271,023 |
| Sep 98 | 93.83 | 93.77 | 93.80 | -0.03 | 211,186 |
| Dec 98 | 93.73 | 93.67 | 93.70 | -0.03 | 165,033 |
| Mar 99 | 93.72 | 93.65 | 93.69 | -0.03 | 125,213 |
| Jun 99 | 93.68 | 93.62 | 93.65 | -0.03 | 96,829 |
| Sep 99 | 93.64 | 93.59 | 93.62 | -0.03 | 83,782 |
| Dec 99 | 93.59 | 93.53 | 93.55 | -0.04 | 71,936 |
| Est. sales 416,987 Fri's sales 979,429 | | | | | |
| Fri's open int 2,765,769, up 45,973 | | | | | |
| **BRITISH POUND (CMER)** 62,500 pounds, $ per pound | | | | | |
| Sep 97 | 1.6290 | 1.6228 | 1.6262 | -0.0022 | 48,098 |
| Dec 97 | 1.6230 | 1.6186 | 1.6202 | -0.0022 | 851 |
| Mar 98 | 1.6170 | 1.6160 | 1.6144 | -0.0022 | 208 |
| Est sales 5,195 Fri's sales 8,498 | | | | | |
| Fri's open int 49,157, up 1,458 | | | | | |
| **CANADIAN DOLLAR (CMER)** 100,000 dollars, $ per Cdn. dlr | | | | | |
| Sep 97 | .7275 | .7257 | .7271 | +0.0009 | 41,638 |
| Dec 97 | .7310 | .7300 | .7305 | -0.0009 | 3,069 |
| Mar 98 | .7335 | .7327 | .7333 | +0.0009 | 615 |
| Est. sales 1,985 Fri's sales 5,469 | | | | | |
| Fri's open int 45,541, up 127 | | | | | |
| **GERMAN MARK (CMER)** 125,000 marks, $ per mark | | | | | |
| Sep 97 | .5386 | .5362 | .5371 | -0.0009 | 130,020 |
| Dec 97 | .5414 | .5390 | .5403 | -0.0009 | 3,723 |
| Mar 98 | .5419 | .5419 | .5434 | -0.0009 | 545 |
| Est. sales 16,033 Fri's sales 45,374 | | | | | |
| Fri's open int 133,895, up 7,925 | | | | | |
| **JAPANESE YEN (CMER)** 12.5 million yen, $ per 100 yen | | | | | |
| Sep 97 | .8515 | .8466 | .8502 | +0.0004 | 78,964 |
| Dec 97 | .8616 | .8586 | .8612 | +0.0004 | 1,970 |
| Mar 98 | | | .8726 | +0.0005 | 413 |
| Est. sales 11,257 Fri's sales 29,124 | | | | | |
| Fri's open int 81,347, up 1,747 | | | | | |
| **SWISS FRANC (CMER)** 125,000 francs, $ per franc | | | | | |
| Sep 97 | .6601 | .6547 | .6584 | +0.0003 | 60,919 |
| Dec 97 | .6658 | .6624 | .6652 | +0.0003 | 2,195 |
| Mar 98 | | | .6720 | +0.0002 | 967 |
| Est. sales 8,978 Fri's sales 14,551 | | | | | |
| Fri's open int 64,181, up 2,112 | | | | | |
| **MEXICAN PESO (CMER)** 500,000 pesos, $ per peso | | | | | |
| Sep 97 | .12590 | .12520 | .12587 | +.00461 | 21,235 |
| Dec 97 | .12152 | .12085 | .12152 | +.00511 | 13,274 |
| Mar 98 | .11760 | .11700 | .11760 | +.00532 | 5,246 |
| Est. sales 5,167 Fri's sales 5,899 | | | | | |
| Fri's open int 1, off 41,040 | | | | | |
| **3-MONTH PIBOR (MATIF)** FF5 million - pts of 100 pct | | | | | |
| Sep 97 | 96.46 | 96.42 | 96.43 | — 0.04 | 78,133 |
| Dec 97 | 96.36 | 96.26 | 96.27 | — 0.10 | 34,423 |
| Mar 98 | 96.27 | 96.17 | 96.17 | — 0.11 | 26,831 |
| Jun 98 | 96.15 | 96.06 | 96.06 | — 0.10 | 25,871 |
| Sep 98 | 96.02 | 95.93 | 95.94 | — 0.09 | 25,116 |
| Est. sales: 77,304 | | | | | |
| Open int : 272,722 up 5,995 | | | | | |
| **Industrials** | | | | | |
| **COTTON 2 (NCTN)** 50,000 lbs.- cents per lb | | | | | |
| Oct 97 | 78.10 | 74.21 | 75.06 | -0.72 | 11,473 |
| Dec 97 | 75.35 | 74.60 | 74.84 | -0.28 | 43,229 |
| Mar 98 | 76.20 | 75.83 | 76.13 | -0.17 | 10,748 |
| May 98 | 77.10 | 76.65 | 76.78 | -0.12 | 2,786 |
| Jul 98 | 77.20 | 77.15 | 77.15 | -0.10 | 1,539 |
| Est. sales N.A. Fri's sales 6,702 | | | | | |
| Fri's open int 75,903, up 93 | | | | | |

| | High | Low | Latest | Chge | Opint |
|---|---|---|---|---|---|
| **HEATING OIL (NMER)** 42,000 gal, cents per gal | | | | | |
| Sep 97 | 58.80 | 56.20 | 58.44 | +1.88 | 43,194 |
| Oct 97 | 59.30 | 56.85 | 58.96 | +1.88 | 25,779 |
| Nov 97 | 59.60 | 57.50 | 59.41 | +1.68 | 18,010 |
| Dec 97 | 60.20 | 58.15 | 59.96 | +1.58 | 17,459 |
| Jan 98 | 60.40 | 58.10 | 60.21 | +1.53 | 15,152 |
| Feb 98 | 60.10 | 58.40 | 59.91 | +1.38 | 8,179 |
| Mar 98 | 58.80 | 57.50 | 58.76 | +1.23 | 7,160 |
| Est. sales 37,766 Fri's sales 23,966 | | | | | |
| Fri's open int 146,905, off 62 | | | | | |
| **LIGHT SWEET CRUDE (NMER)** 1,000 bbl.- dollars per bbl. | | | | | |
| Sep 97 | 20.92 | 19.95 | 20.75 | +0.47 | 96,807 |
| Oct 97 | 20.97 | 20.10 | 20.86 | +0.55 | 53,384 |
| Nov 97 | 20.95 | 20.15 | 20.83 | +0.53 | 33,445 |
| Dec 97 | 20.90 | 20.15 | 20.81 | +0.52 | 49,679 |
| Jan 98 | 20.85 | 20.15 | 20.77 | +0.50 | 25,844 |
| Feb 98 | 20.73 | 20.20 | 20.73 | +0.53 | 12,766 |
| Est. sales 119,344 Fri's sales 72,262 | | | | | |
| Fri's open int 420,026, off 4,144 | | | | | |
| **NATURAL GAS (NMER)** 10,000 mm btu's, $ per mm btu | | | | | |
| Sep 97 | 2.385 | 2.230 | 2.370 | +0.131 | 37,565 |
| Oct 97 | 2.380 | 2.235 | 2.365 | +0.120 | 23,881 |
| Nov 97 | 2.480 | 2.350 | 2.460 | +0.100 | 12,838 |
| Dec 97 | 2.590 | 2.475 | 2.575 | +0.095 | 15,723 |
| Jan 98 | 2.615 | 2.505 | 2.575 | +0.070 | 17,200 |
| Feb 98 | 2.505 | 2.410 | 2.485 | +0.068 | 11,447 |
| Est. sales 75,609 Fri's sales 19,658 | | | | | |
| Fri's open int 183,154, up 492 | | | | | |
| **UNLEADED GASOLINE (NMER)** 42,000 gal, cents per gal | | | | | |
| Sep 97 | 67.00 | 64.70 | 66.74 | +1.67 | 43,340 |
| Oct 97 | 61.50 | 59.85 | 61.20 | +0.83 | 14,663 |
| Nov 97 | 59.30 | 58.00 | 59.10 | +0.73 | 8,310 |
| Dec 97 | 58.85 | 57.25 | 58.35 | +0.73 | 8,995 |
| Jan 98 | 58.50 | 57.10 | 58.30 | +0.73 | 7,551 |
| Feb 98 | 58.57 | 57.40 | 58.57 | +0.73 | 1,934 |
| Mar 98 | | | 59.07 | +0.73 | 3,757 |
| Apr 98 | | | 61.42 | +0.48 | 960 |
| Est. sales 35,038 Fri's sales 38,558 | | | | | |
| Fri's open int 92,442, up 4,013 | | | | | |
| **GASOIL (IPE)** U.S. dollars per metric ton - lots of 100 tons | | | | | |
| Aug 97 | 173.50 | 171.50 | 172.25 | +0.75 | 17,692 |
| Sep 97 | 174.75 | 172.75 | 173.50 | +0.50 | 16,715 |
| Oct 97 | 176.00 | 174.25 | 175.00 | +0.25 | 9,939 |
| Nov 97 | 176.50 | 175.75 | 176.50 | +1.00 | 5,494 |
| Dec 97 | 177.75 | 176.25 | 177.50 | +1.00 | 12,249 |
| Jan 98 | 177.75 | 177.00 | 177.75 | +0.75 | 7,742 |
| Feb 98 | 177.00 | 176.00 | 176.75 | -0.50 | 5,078 |
| Mar 98 | 175.25 | 175.00 | 174.75 | +0.25 | 2,489 |
| Est sales 11,000. Prev sales :11,122 | | | | | |
| Prev. open int.: 82,571 off 15 | | | | | |
| **BRENT OIL (IPE)** U.S. dollars per barrel - lots of 1,000 barrels | | | | | |
| Sep 97 | 19.64 | 18.80 | 19.46 | +0.51 | 63,961 |
| Oct 97 | 19.60 | 18.83 | 19.43 | +0.46 | 46,472 |
| Nov97 | 19.62 | 18.91 | 19.46 | +0.43 | 13,030 |
| Dec97 | 19.64 | 18.97 | 19.48 | +0.40 | 17,785 |
| Jan98 | 19.59 | 19.03 | 19.46 | +0.39 | 14,406 |
| Feb98 | 19.49 | 18.97 | 19.40 | +0.36 | 6,007 |
| Mar98 | 19.43 | 18.99 | 19.34 | +0.34 | 2,717 |
| Est. sales 43,967. Prev sales 27,446 | | | | | |
| Prev open int.: 173,331 off 787 | | | | | |
| **Stock Indexes** | | | | | |
| **SP COMP INDEX (CMER)** 500 x index | | | | | |
| Sep 97 | 958.60 | 947.70 | 954.90 | +1.90 | 178,323 |
| Dec 97 | 968.00 | 958.10 | 968.00 | +4.80 | 5,979 |
| Mar 98 | | | 973.65 | Unch. | 2,043 |
| Est. sales N.A. Fri's sales 68,985 | | | | | |
| Fri's open int 187,093, off 999,617 | | | | | |
| **CAC 40 (MATIF)** FF200 per index point | | | | | |
| Aug 97 | 3055.00 | 2986.0 | 2997.0 | — 56.0 | 79,098 |
| Sep 97 | 3063.00 | 3002.00 | 3005.00 | — 56.0 | 73,670 |
| Dec 97 | 3083.00 | 3079.00 | 3030.00 | — 56.0 | 970 |
| Est. sales: 15,258. | | | | | |
| Open int : 71,689 off 189. | | | | | |

*Prices from the London International Financial Futures Exchange were not available Monday due to problems at the source.*

**Commodity Indexes**

| | Close | Previous |
|---|---|---|
| Moody's | 1,561.50 | 1,559.40 |
| Reuters | 1,926.60 | 1,926.20 |
| D.J. Futures | 152.02 | 151.26 |
| CRB | 245.26 | 242.36 |

*Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.*

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International Herald Tribune
THE WORLD'S DAILY NEWSPAPER

# Pearson Sets a Goal To Double in Value As Profit Rises 55%

*Compiled by Our Staff From Dispatches*

LONDON — Pearson PLC set itself a target Monday to double in value in five years, after the media company reported that first-half net income rose 55 percent as charges fell and profits rose at its Financial Times newspaper and Penguin books operations.

To achieve its growth target, Pearson plans to restructure its portfolio of businesses over the next two years to leave itself more focused, with fewer businesses, the finance director, John Makinson, said.

"The analysis we've done has not assumed a change in the business, but we have taken some decisions about strategy and shape, and in time we will be implementing those," he said.

Pearson's chief executive, Marjorie Scardino, said of the company's financial goal, "We have the people and the franchises to achieve it, and our shareholders have reason to expect it."

The company said profit rose to £34.4 million ($56.1 million), compared with £22.2 million in the first half of 1996. Sales rose 1.9 percent to £958 million, compared with £940 million a year earlier. Pearson said it would raise its dividend 8.7 percent, to 7.5 pence a share from 6.9 pence a share a year earlier.

Pearson also said Mindscape, its ailing U.S. software unit, had performed better than expected and would be profitable by year-end.

Pearson said the half-year figure had benefited from a £31.3 million injection from the sale of the British local newspaper group Westminster Press and from a rise in sales of the Financial Times newspaper and strong results at Penguin.

Pearson's television business had a loss of £11.7 million as a result of start-up costs associated with the launching of Channel 5, a television station in which Pearson has a stake.

Profit at Lazard Partners, the investment bank in which Pearson has a 50 percent stake, fell 55 percent to £8.9 million, compared with £19.8 million a year earlier.

First-half results exceeded expectations, and Pearson shares rose 4.5 percent to close at 695 pence.

Pearson said the earnings should be seen as a first step toward improving performance so much that the company's value would double in the next five years.

Its earnings have declined in the past three years as acquisitions have contributed less than expected.

"Certainly there is scope to tighten the running of the ship and squeeze better returns from the existing businesses," said Anthony de Larrinaga, an analyst at Panmure Gordon & Co.

"But whether those targets can be achieved within that time scale without more significant restructuring is another question. There are structural weaknesses in TV and electronic information because they don't have the global scale and ability to invest back in the business, which that requires."

*(Bloomberg, AFP, Reuters)*

## Scania's Net Drops 34% on Weak Demand

*Compiled by Our Staff From Dispatches*

STOCKHOLM — Scania AB said Monday that net profit in the first half fell 34 percent from a year earlier, to 1 billion kronor ($125 million), as demand for trucks in Europe remained weak.

Sales rose 9 percent, to 18.94 billion kronor, but currency fluctuations and increased costs offset the impact on profit. Scania's share of the West European market fell to 15.4 percent from 16.1 percent, the company said.

Scania sold 22,433 trucks and buses in the first half, down from 23,012 in the first half of 1996. But it sold 12,274 in the second quarter, up from 10,159 in the first quarter.

"The six-month result was marked by low sales volumes and continued price pressure in Europe," Chief Executive Leif Ostling said, adding, "The upturn in demand for heavy trucks, which began at the end of the first quarter, strengthened during the second quarter. The increased order intake will not show in sales until the second half of 1997," he said. Scania's B shares rose 2.50 kronor to close at 227.50. *(Reuters, AFX)*

# Eurojitters in Bonn and Paris

## Ifo Institute Says Both Face Trouble With Fiscal Criteria

*Compiled by Our Staff From Dispatches*

BONN — The Ifo Institute said Monday it would be difficult for Germany to meet its stated tax revenue targets for 1997, bringing into question its ability to meet the fiscal criteria for European economic and monetary union.

The German institute also said France would miss the deficit target for a common European currency, but added that missing the target would not stop it from becoming a founding member of a European common currency.

Countries hoping to be selected for the European Union's currency union, due to start in 1999, are required to meet a series of economic targets, which include holding budget deficits to 3 percent of gross domestic product.

In its assessment on Germany, Ifo said: "Income from some taxes will increase significantly because dampening effects will disappear in the second half of the year. It will still be difficult to meet the results in the government estimates for 1997."

In May, a special commission said federal, state and local governments could expect to collect a total of 813.1 billion Deutsche marks ($436.4 billion) in revenue in 1997. That was down from an estimate of 831 billion DM forecast in November 1996.

The larger-than-expected shortfall for 1997 further hinders Germany's ability to squeeze its deficit to 3 percent of gross domestic product or below.

Separately, the Economics Ministry said that industrial production in Germany rose 1.4 percent in July from June, lifted by a rebound in the construction industry and increased output of durable goods.

In Ifo's assessment on France, it said: "In 1997, the Maastricht threshold of 3 percent of GDP will probably be missed by up to half a percentage point."

But the institute said France would meet the other entry targets on inflation, exchange rates, long-term interest rates and public debt "fairly well."

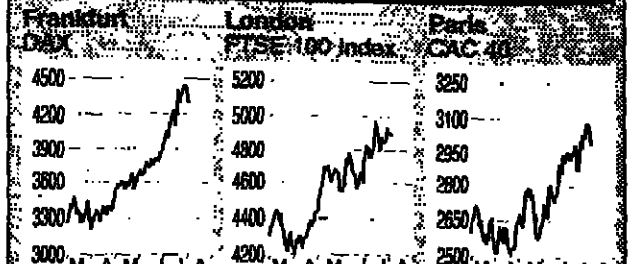
"All in all, there is little reason to object to France being among the first members of the European monetary union right from the outset in 1999," Ifo said.

While saying that France's economy was in good enough shape to adopt the common currency, the institute criticized "various strong and permanent efforts by the French government to weaken the autonomy of the European central bank."

A European central bank will be established on July 1, and will take control of Europe-wide monetary policy when nations' exchange rates are tied together irrevocably on Jan. 1, 1999.

In another German assessment of the French economy, Deutsche Bank Research said that the French deficit would at least amount to 3.1 to 3.3 percent of GDP. *(AFP, Bloomberg)*

## Investor's Europe




| Exchange | Index | Monday Close | Prev. Close | % Change |
|---|---|---|---|---|
| Amsterdam | AEX | 979.35 | 980.74 | -0.14 |
| Brussels | BEL-20 | 2,470.34 | 2,536.84 | -2.58 |
| Frankfurt | DAX | 4,296.94 | 4,408.79 | -2.54 |
| Copenhagen | Stock Market | 641.52 | 646.87 | -0.83 |
| Helsinki | HEX General | 3,632.86 | 3,609.99 | +0.63 |
| Oslo | OBX | 700.00 | 697.82 | +0.31 |
| London | FTSE 100 | 4,895.70 | 4,899.30 | -0.07 |
| Madrid | Stock Exchange | 586.34 | 592.61 | -1.06 |
| Milan | MIBTEL | 14438 | 14695 | -1.75 |
| Paris | CAC 40 | 2,992.41 | 3,049.44 | -1.87 |
| Stockholm | SX16 | 3,506.94 | 3,523.37 | -0.47 |
| Vienna | ATX | 1,452.11 | 1,471.46 | -1.32 |
| Zurich | SPI | 3,685.87 | 3,752.66 | -1.78 |

Source: Telekurs International Herald Tribune

## Very briefly:

- **Laura Ashley Holdings PLC** shares rose 8.5 percent, to close at 57 pence (93.3 cents), as it confirmed it had hired an outside consultant, the U.S.-based Parthenon Group, to try to improve its profitability. A three-person team from Parthenon started work at the London headquarters of the clothing designer to examine the company's internal controls.
- **Taittinger SA**, which controls 53 percent of the French hotel operator **Societe du Louvre**, rejected for the second time an offer by Asher Edelman, a U.S. corporate raider, to buy the hotel company.
- **Volkswagen AG** said it should not be forced by the European Commission to repay a disputed 91 million Deutsche marks ($48.9 million) that it received as a subsidy from the East German state of Saxony.
- **TeleWest Communications PLC** shares climbed 7.6 percent, to 85 pence, after the British cable operator said it had received an approach from NTL Inc., a U.S.-based telecommunications company, that could lead to a merger.
- **Virgin Group Ltd.** is considering establishing a retail bank to add to its airline, entertainment and financial units.
- **The Swiss and Italian state railways** will form a joint company for rail cargo transport to try to improve their competitive edge. *Bloomberg, Reuters*

# Before Strike, BA's Profit Rose 47%

*Compiled by Our Staff From Dispatches*

LONDON — British Airways PLC reported a 47 percent rise in its financial first-quarter profit Monday, helped by a one-time gain. But BA said the strong pound had dented earnings and that its dispute with flight attendants would cost the airline £125 million ($204.6 million).

The figures surprised analysts, who had been expecting strike costs to total about £80 million. British Airways' shares fell 25 pence to close at 615.

The carrier said profit for the three months ended June 30 rose to £220 million from £150 million a year earlier. It said it had booked a one-time gain of £130 million in the quarter by selling its stake in a former airline partner, US Airways Inc., but that the strength of the pound had cut profit by £77 million.

Revenue climbed to £2.22 billion from £2.10 billion.

BA's chief financial officer, Derek Stevens, called the results "a mixed bag" but acknowledged that the costs of the labor fight would be "indeed higher than we estimated."

The losses from the dispute began near the end of the second quarter, when British Airways braced for the walkout. Lost bookings and the price of setting up contingency plans cost the carrier about £15 million in June. The walkout in early July — and subsequent flight cancellations — would depress its second-quarter earnings by a further £110 million, BA estimated. *(AP, Reuters, Bloomberg)*

# Cell-Phone Sales Power Nokia

*Compiled by Our Staff From Dispatches*

HELSINKI — Nokia Oy said Monday that second-quarter net profit more than doubled as the company, the world's second-largest maker of mobile phones, resolved inventory problems amid rising demand for its phones and networks.

Net income rose to 1.33 billion markkaa ($242.3 million) from 518 million markkaa in the second quarter of 1996. The profit exceeded expectations, and Nokia's shares finished 9.50 markkaa higher, at 482.

For the first half, net profit jumped to 3.33 billion markkaa from 1.13 billion markkaa a year earlier. Sales in the half rose 44 percent, to 24.39 billion markkaa. Sales of digital mobile phones rose 94 percent in the first half, Nokia's chief executive, Jorma Ollila, said.

Nokia tends to outperform Motorola Inc. of the United States because it, like its Swedish rival Ericsson AB, does not also operate in the semiconductor industry, allowing it to benefit more fully from a global expansion in mobile telecommunications.

"Demand for cellular phones continued to grow in all major markets globally," Nokia said. Second-quarter sales for the mobile-phone division rose 49 percent, to 7.32 billion markkaa. *(Bloomberg, Reuters)*

# Lufthansa Hangs Up on Telekom

*The Associated Press*

FRANKFURT — Lufthansa AG is ditching Deutsche Telekom AG as its global telephone service provider, the German airline said Monday.

Lufthansa said cost and service were among its reasons for switching to VIAG Interkom, a unit of VIAG AG.

VIAG formed the joint telecommunications venture with British Telecommunications PLC and Telenor A/S of Norway to challenge Deutsche Telekom, which is still 75 percent state owned. Deutsche Telekom, long criticized for high rates and poor service, will lose its monopoly on local service in 1998.

# WORLD STOCK MARKETS

**Monday, Aug. 4**
Prices in local currencies.
Telekurs

### Amsterdam
AEX index: 979.35
Previous: 980.74

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| ABN-AMRO | 48.70 | 47 | 47.50 | 48.30 |
| Aegon | 156.90 | 153 | 153.20 | 156.50 |
| Ahold | 60.60 | 59 | 59.20 | 58.40 |
| Akzo Nobel | 347 | 339 | 341.50 | 340.50 |
| Baan Co. | 143.50 | 138.50 | 139.20 | 140.90 |
| Bols Wess cva | 43.40 | 42.60 | 42.70 | 42.90 |
| CSM cva | 106.40 | 104.30 | 105.50 | 104 |
| Dordtsche Pet | 117.90 | 114.30 | 117 | 115 |
| DSM | 220 | 216.60 | 218 | 217 |
| Elsevier | 37.30 | 36.40 | 36.80 | 36.50 |
| Fortis Amev | 93 | 90.50 | 91.20 | 92.70 |
| Getronics | 71.50 | 70.10 | 71.50 | 71 |
| G-Broc cva | 80 | 77.20 | 78.80 | 80 |
| Hagemeyer | 112.80 | 109 | 110 | 111.90 |
| Heineken | 326 | 318.50 | 321 | 324.30 |
| Hoogovens cva | 139.80 | 137.80 | 138.50 | 134.80 |
| Hunt Douglas | 95.20 | 92.50 | 94 | 95 |
| ING Group | 100.70 | 98.40 | 98.70 | 99.90 |
| KLM | 78 | 73.90 | 76.40 | 73 |
| KNP BT | 47.40 | 46 | 46.40 | 47.30 |
| KPN | 83.30 | 80.80 | 81.90 | 83.50 |
| Nedlloyd Gp | 70.70 | 69.50 | 70 | 69.40 |
| Nutricia | 356.50 | 353.20 | 355.50 | 353.50 |
| Oce Grinten | 263.50 | 258.70 | 258.70 | 262.50 |
| Philips Elec | 167.30 | 163.60 | 165.20 | 165.80 |
| Polygram | 119.70 | 112.10 | 118 | 112 |
| Randstad Hdg | 94.50 | 90.60 | 94.20 | 91.20 |
| Robeco | 209.50 | 207 | 207 | 209 |
| Rodamco | 65.50 | 64.90 | 64.90 | 65.40 |
| Rolinco | 210.70 | 210.30 | 210.70 | 209.70 |
| Rorento | 119.30 | 118.50 | 118.50 | 119.50 |
| Royal Dutch | 116.80 | 113.70 | 116 | 114 |
| Unilever cva | 474 | 469 | 470.90 | 467.40 |
| Vendex Intl | 113.70 | 108.80 | 111.80 | 110.30 |
| VNU | 49.30 | 48.80 | 48.80 | 48.80 |
| Wolters Kl cva | 291.70 | 273 | 283 | 272.90 |

### Bangkok
SET index: 663.82
Previous: 652.04

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Adv Info Svc | 236 | 216 | 236 | 216 |
| Bangkok Bk F | 252 | 246 | 252 | 246 |
| Krung Thai Bk | 34.50 | 32.25 | 34.50 | 33.25 |
| PTT Explor | 414 | 410 | 414 | 414 |
| Siam Cement F | 652 | 628 | 628 | 632 |
| Siam Com Bk F | 137 | 133 | 136 | 133 |
| Telecomasia | 45.50 | 47.50 | 44.75 | 42.50 |
| Thai Airways | 52.50 | 50.50 | 52 | 50 |
| Thai Farm Bk F | 170 | 154 | 162 | 153 |
| Utd Comm | 137 | 135 | 136 | 134 |

### Bombay
Sensex 30 index: 4465.37
Previous: 4347.32

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Bajaj Auto | 940 | 923.50 | 927 | 923.50 |
| Hindust Lever | 1522.50 | 1476 | 1515.50 | 1444.75 |
| Hindust Petm | 499.50 | 490 | 494.75 | 493 |
| Ind Dev Bk | 104.25 | 101.50 | 104 | 100 |
| ITC | 554 | 541 | 546.75 | 539 |
| Mahanagar Tel | 300.50 | 290.25 | 292.25 | 290.75 |
| Reliance Ind | 368.25 | 363.50 | 364.25 | 360.50 |
| State Bk India | 335.25 | 326 | 328.75 | 320 |
| Steel Authority | 26.50 | 25.25 | 26 | 24.25 |
| Tata Eng Loco | 403 | 394.25 | 396 | 390 |

### Brussels
BEL-20 index: 2470.34
Previous: 2536.84

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Almanij | 17100 | 16800 | 17050 | 17025 |
| Barco Ind | 7950 | 7550 | 7600 | 7950 |
| BBL | 9440 | 9050 | 9070 | 9470 |
| CBR | 3390 | 3280 | 3300 | 3440 |
| Colruyt | 18100 | 17500 | 17500 | 18100 |
| Delhaize Lion | 1975 | 1900 | 1900 | 1945 |
| Electrabel | 7970 | 7720 | 7740 | 7970 |
| Electrafina | 3835 | 3730 | 3730 | 3835 |
| Fortis AG | 7970 | 7600 | 7800 | 7990 |
| Gevaert | 3690 | 3420 | 3420 | 3605 |
| GBL | 6050 | 5960 | 5990 | 5980 |
| Gen Banque | 14625 | 14300 | 14425 | 14600 |
| Kredietbank | 15800 | 15500 | 15500 | 15800 |
| Petrofina | 15400 | 15025 | 15025 | 15400 |
| Powerfin | 4970 | 4925 | 4925 | 4975 |
| Royale Belge | 11275 | 10725 | 10725 | 11175 |
| Soc Gen Belg | 3565 | 3500 | 3510 | 3535 |
| Solvay | 23000 | 22500 | 22500 | 23000 |
| Tractebel | 15000 | 14825 | 14850 | 14950 |
| UCB | 129700 | 125000 | 125000 | 130000 |

### Copenhagen
Stock index: 641.52
Previous: 646.87

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| BG Bank | 386 | 379 | 381 | 384 |
| Carlsberg B | 363 | 358 | 360 | 362 |
| Codan Fors | 1010 | 1000 | 1010 | 1010 |
| Danisco | 393 | 386 | 387 | 394 |
| Den Danske Bk | 730.06 | 718 | 725.33 | 735 |
| D/S Svendborg B | 440440 | 438000 | 436000 | 438062 |
| D/S 1912 B | 302000 | 300000 | 300000 | 305694 |
| FLS Ind B | 255 | 245 | 245 | 255 |
| Kob Lufthavne | 725 | 725 | 725 | 736 |
| Novo Nordisk B | 742 | 724 | 725 | 734 |
| Sophus Ber B | 981 | 969 | 970.67 | 983 |
| Tele Danmk B | 392 | 384 | 385.75 | 390 |
| Tryg Baltica | 422 | 414 | 422 | 425 |
| Unidanmark A | 417 | 410 | 412 | 419 |

### Frankfurt
DAX: 4294.94
Previous: 4408.79

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| AMB B | 1890 | 1830 | 1840 | 1890 |
| Adidas | 215 | 213 | 214.50 | 212 |
| Allianz Hdg | 454 | 441.50 | 443.50 | 465.50 |
| Altana | 183 | 177 | 180.50 | 181.50 |
| Bk Berlin | 46.40 | 45.60 | 46.40 | 45.10 |
| BASF | 70.90 | 69.70 | 70.40 | 70.65 |
| Bayer Hypo Bk | 73.90 | 72.05 | 72.05 | 75.95 |
| Bay Vereinsbank | 98 | 94.50 | 95.80 | 98.80 |
| Bayer | 76 | 75.20 | 75.55 | 76.50 |
| Beiersdorf | 88.45 | 87.35 | 88.45 | 88.80 |
| Bewag | 41.20 | 40.50 | 41.20 | 41.50 |
| BHW | 1475 | 1450 | 1456 | 1491 |
| CKAG Colonia | 184 | 180 | 182.50 | 181.50 |
| Commerzbank | 62.10 | 61.35 | 61.50 | 62.65 |
| Daimler Benz | 149.25 | 146.70 | 146.95 | 148.90 |
| Degussa | 102.50 | 99 | 100 | 103.05 |
| Deutsche Bank | 120.10 | 117.10 | 117.40 | 122.15 |
| Deut Telekom | 42.80 | 42.10 | 42.65 | 43.30 |
| Dresdner Bank | 82.30 | 80.20 | 80.50 | 83.90 |
| Fresenius | 346 | 340 | 341 | 346 |
| Fresenius Med | 155.70 | 155 | 155.30 | 153.50 |
| Fried. Krupp | 323 | 319.50 | 322 | 326.50 |
| Gehe | 113.10 | 111.20 | 111.50 | 113 |
| Heidelbg Zmt | 159 | 156 | 159 | 157.80 |
| Henkel pfd | 101 | 100 | 100.10 | 102 |
| HEW | 455 | 450 | 455 | 455 |
| Hochtief | 83 | 80.50 | 82.70 | 81.50 |
| Hoechst | 82.95 | 82 | 82.55 | 85.40 |
| Karstadt | 693 | 675 | 675 | 699.50 |
| Lahmeyer | 93 | 92.50 | 92.50 | 92.20 |
| Linde | 1352 | 1322 | 1340 | 1335 |
| Lufthansa | 35.65 | 34.75 | 34.75 | 36.30 |
| MAN | 550.50 | 546 | 549.50 | 554 |
| Mannesmann | 885 | 874 | 878 | 885.50 |
| Metallgesellschaft | 41.80 | 40.50 | 40.50 | 42 |
| Metro | 96.20 | 95 | 95.20 | 97.80 |
| Munch Rueck R | 6830 | 6730 | 6730 | 6930 |
| Preussag | 549 | 542 | 548.50 | 555.25 |
| RWE | 81.20 | 79.90 | 80.50 | 82.50 |
| SAP pfd | 427 | 419 | 424 | 431.50 |
| Schering | 201.50 | 199 | 200.50 | 202.70 |
| SGL Carbon | 248 | 246.40 | 247 | 248 |
| Siemens | 123.70 | 122.70 | 122.85 | 127.20 |
| Springer (Axel) | 1635 | 1635 | 1635 | 1635 |
| Suedzucker | 890 | 882 | 887 | 885 |
| Thyssen | 414 | 409.50 | 412 | 416 |
| Veba | 107.20 | 106.60 | 106.90 | 108.35 |
| VEW | 574 | 574 | 574 | 576 |
| Viag | 775 | 764 | 774 | 782 |
| Volkswagen | 1401 | 1365 | 1369 | 1407 |

### Helsinki
HEX General index: 3632.86
Previous: 3609.99

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Enso A | 49.50 | 49.10 | 49.10 | 49.50 |
| Huhtamaki I | 250 | 247 | 248 | 249 |
| Kemira | 52.80 | 52.50 | 52.80 | 52.40 |
| Kesko | 77.50 | 76.50 | 77 | 77 |
| Merita A | 23.10 | 22.90 | 23.10 | 23.10 |
| Metra B | 187 | 185.50 | 186.50 | 186 |
| Metsa-Serla B | 47 | 45.80 | 45.80 | 47 |
| Neste | 138 | 137 | 138 | 137.10 |
| Nokia A | 485 | 472 | 482 | 472.50 |
| Orion-Yhtymae | 201 | 199.50 | 199.50 | 200 |
| Outokumpu A | 106 | 105.50 | 106 | 106.30 |
| UPM-Kymmene | 133.70 | 133 | 133.20 | 133.30 |
| Valmet | 87.50 | 87 | 87.30 | 87.10 |

### Hong Kong
Hang Seng: 16259.59
Previous: 16379.32

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Amoy Props | 9 | 8.80 | 8.80 | 8.90 |
| Bk East Asia | 32 | 30.80 | 31.10 | 32.10 |
| Cathay Pacific | 14.65 | 14.40 | 14.65 | 14.60 |
| Cheung Kong | 88.50 | 86.75 | 87.50 | 87.25 |
| CK Infrastruct | 27.40 | 26.70 | 26.80 | 26.80 |
| China Light | 44.50 | 43.40 | 43.60 | 44.20 |
| Citic Pacific | 48.90 | 47.70 | 48 | 48.80 |
| Dao Heng Bk | 47.50 | 47 | 47.20 | 47.10 |
| First Pacific | 9.35 | 9.20 | 9.20 | 9.20 |
| Hang Lung Dev | 15.60 | 15.25 | 15.35 | 15.55 |
| Hang Seng Bk | 114 | 110 | 111 | 112.50 |
| Henderson Inv | 9 | 8.75 | 8.75 | 9 |
| Henderson Ld | 75 | 72.75 | 73.25 | 75 |
| HK China Gas | 16.60 | 16.25 | 16.40 | 16.40 |
| HK Electric | 31.70 | 31.20 | 31.20 | 31.50 |
| HK Telecomm | 20.15 | 19.50 | 19.75 | 19.85 |
| Hopewell Hdgs | 5 | 4.73 | 4.75 | 4.85 |
| HSBC Hdgs | 269 | 262 | 264 | 268 |
| Hutchison Wh | 78.50 | 76.50 | 77.50 | 77.25 |
| Hysan Dev | 25.70 | 25.05 | 25.45 | 25.15 |
| Johnson El Hdg | 20.30 | 20 | 20.15 | 20.05 |
| Kerry Props | 19.50 | 19 | 19.35 | 19 |
| New World Dev | 55.50 | 52.50 | 55 | 54 |
| Oriental Press | 3.10 | 3.03 | 3.05 | 3.08 |
| Pearl Oriental | 1.29 | 1.25 | 1.27 | 1.27 |
| SHK Props | 102.50 | 99.75 | 101.50 | 100.50 |
| Shun Tak Hdgs | 4.78 | 4.63 | 4.68 | 4.65 |
| Sino Land Co. | 8.25 | 8.05 | 8.10 | 8.25 |
| Sth China Post | 7.85 | 7.80 | 7.85 | 7.85 |
| Swire Pac A | 74 | 73 | 73.50 | 73.50 |
| Wharf Hdgs | 33 | 32.20 | 32.30 | 33.10 |
| Wheelock | 19.10 | 18.80 | 18.85 | 19.10 |

### Jakarta
Composite index: 718.71
Previous: 721.77

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Astra Intl | 8075 | 8025 | 8050 | 8025 |
| Bk Intl Indon | 1850 | 1800 | 1800 | 1850 |
| Bk Negara | 1450 | 1425 | 1450 | 1425 |
| Gudang Garm | 9850 | 9775 | 9800 | 9875 |
| Indocement | 4200 | 4175 | 4200 | 4200 |
| Indofood | N.T. | N.T. | N.T. | 5075 |
| Indosat | 8050 | 8025 | 8050 | 8050 |
| Sampoerna HM | 9025 | 8850 | 8850 | 9050 |
| Semen Gresik | 5000 | 4800 | 4825 | 5100 |
| Telekomunikasi | 4025 | 3950 | 3975 | 3975 |

### Johannesburg
All Market: 7445.19
Previous: 7456.80

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Amalgamtd Bks | 34.50 | 34.20 | 34.30 | 34.40 |
| AngloAm Coal | 258 | 256.50 | 257.50 | 250 |
| AngloAm Corp | 261 | 260 | 260.25 | 261 |
| AngloAm Gold | 248.50 | 248 | 248.25 | 247.50 |
| AngloAm Ind | 204 | 203.25 | 204 | 204.75 |
| AVMIN | 12.40 | 12.25 | 12.40 | 12.10 |
| Barlow | 59.25 | 58.50 | 59 | 58.50 |
| C.G. Smith | 25.85 | 25.70 | 25.85 | 25.85 |
| De Beers | 166.50 | 165.75 | 166.50 | 165.75 |
| Driefontein | 32.75 | 32.50 | 32.75 | 32.60 |
| Fst Natl Bk | 37.75 | 37 | 37 | 37.75 |
| Gencor | 11 | 10.65 | 10.65 | 10.85 |
| GFSA | 90.50 | 90 | 90.50 | 90 |
| Imperial Hdgs | 60.50 | 60 | 60.50 | 61 |
| Ingwe Coal | 23.30 | 23 | 23.10 | 22.70 |
| Iscor | 3.37 | 3.26 | 3.27 | 3.39 |
| Johnnies Indl | 64.50 | 65.50 | 65.50 | 65.50 |
| Liberty Hdgs | 381 | 380 | 380 | 384 |
| Liberty Life | 143 | 140 | 140.50 | 143.50 |
| LibLife Strat | 16.50 | 18.35 | 18.50 | 18.50 |
| Minorco | 96 | 94.75 | 95.25 | 92 |
| Nampak | 19 | 18.75 | 18.80 | 18.80 |
| Nedcor | 94.75 | 92 | 92.25 | 95 |
| Rembrandt Gp | 46 | 45.70 | 45.70 | 46.30 |
| Richemont | 68 | 67.25 | 67.50 | 68.25 |
| Rust Platinum | 82 | 81 | 81.75 | 80.50 |
| SA Breweries | 148 | 146 | 146 | 148 |
| Samancor | 40.25 | 40 | 40 | 40.25 |
| Sasol | 56.25 | 55.75 | 56 | 56 |
| SBIC | 217.50 | 217.25 | 217.25 | 218 |
| Tiger Oats | 78.25 | 78 | 78 | 78.25 |

### Kuala Lumpur
Composite: 978.56
Previous: 1002.43

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| AMMB Hdgs | 14.40 | 14 | 14 | 14.40 |
| Genting | 11.30 | 10.80 | 10.90 | 11.30 |
| Mal Banking | 25 | 24.20 | 24.40 | 24.90 |
| Mal Intl Ship F | Susp. | Susp. | Susp. | 6.70 |
| Petronas Gas | 9.35 | 8.90 | 9.10 | 9.35 |
| Proton | 11.20 | 10.90 | 11 | 11.10 |
| Public Bk | 3.74 | 3.66 | 3.66 | 3.74 |
| Renong | 3.42 | 3.20 | 3.38 | 3.36 |
| Resorts World | 7.50 | 7.35 | 7.45 | 7.50 |
| Rothmans PM | 25.25 | 24.50 | 25 | 27 |
| Sime Darby | 8.25 | 7.95 | 8 | 8.25 |
| Telekom Mal | 9.70 | 9.25 | 9.25 | 9.70 |
| Tenaga | 10.30 | 10 | 10.10 | 10.40 |
| Utd Engineers | 18 | 17.40 | 17.50 | 18 |
| YTL | 7.85 | 7.10 | 7.50 | 8 |

### London
FT-SE 100: 4895.70
Previous: 4899.30

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Abbey Natl | 8.52 | 8.28 | 8.32 | 8.49 |
| Allied Domecq | 4.47 | 4.38 | 4.40 | 4.47 |
| Anglian Water | 7.83 | 7.68 | 7.68 | 7.92 |
| Argos | 6.30 | 6.23 | 6.24 | 6.29 |
| Asda Group | 1.43 | 1.40 | 1.43 | 1.42 |
| Assoc Br Foods | 5.16 | 5.05 | 5.10 | 5.19 |
| BAA | 5.69 | 5.57 | 5.64 | 5.63 |
| Barclays | 13 | 12.58 | 12.90 | 12.97 |
| Bass | 8.44 | 8.30 | 8.40 | 8.34 |
| BAT Ind | 5.10 | 4.96 | 5.01 | 5.04 |
| Bank Scotland | 4.48 | 4.27 | 4.32 | 4.46 |
| Blue Circle | 4.11 | 4.04 | 4.08 | 4.14 |
| BOC Group | 11.12 | 11.01 | 11.07 | 11.14 |
| Boots | 7.77 | 7.67 | 7.71 | 7.76 |
| BPB Ind | 3.35 | 3.28 | 3.35 | 3.28 |
| Brit Aerosp | 13.62 | 13.48 | 13.54 | 13.61 |
| Brit Airways | 6.23 | 6.08 | 6.15 | 6.40 |
| BG | 2.42 | 2.37 | 2.40 | 2.41 |
| Brit Land | 5.94 | 5.75 | 5.91 | 5.90 |
| Brit Petm | 8.26 | 8.15 | 8.22 | 8.19 |
| BSkyB | 4.62 | 4.58 | 4.60 | 4.61 |
| Brit Steel | 1.68 | 1.60 | 1.66 | 1.61 |
| Brit Telecom | 4.28 | 4.17 | 4.23 | 4.27 |
| BTR | 1.88 | 1.80 | 1.82 | 1.85 |
| Burmah Castrol | 10.47 | 10.32 | 10.38 | 10.41 |
| Burton Gp | 1.28 | 1.23 | 1.27 | 1.27 |
| Cable Wireless | 6.05 | 5.92 | 5.96 | 6.02 |
| Cadbury Schw | 5.87 | 5.82 | 5.84 | 5.86 |
| Carlton Comm | 4.88 | 4.84 | 4.86 | 4.87 |
| Coml Union | 6.99 | 6.67 | 6.82 | 6.80 |
| Compass Gp | 6.15 | 6.10 | 6.15 | 6.13 |
| Courtaulds | 3.15 | 3.10 | 3.15 | 3.14 |
| Dixons | 6.10 | 6.02 | 6.06 | 6.07 |
| Electrocomponents | 4.51 | 4.47 | 4.51 | 4.51 |
| EMI Group | 5.70 | 5.60 | 5.67 | 5.61 |
| Energy Group | 6.25 | 6.19 | 6.21 | 6.21 |
| Enterprise Oil | 7.02 | 6.94 | 7.02 | 6.95 |
| Fam Colonial | 1.74 | 1.72 | 1.72 | 1.74 |
| Genl Accident | 9.17 | 9.01 | 9.07 | 9.14 |
| GEC | 3.56 | 3.40 | 3.45 | 3.50 |
| GKN | 10.64 | 10.48 | 10.58 | 10.51 |
| Glaxo Wellcome | 13.09 | 12.92 | 13.04 | 13.07 |
| Granada Gp | 8.45 | 8.36 | 8.39 | 8.39 |
| Grand Met | 5.94 | 5.86 | 5.90 | 5.92 |
| GRE | 2.94 | 2.88 | 2.90 | 2.91 |
| Greenalls Gp | 4.47 | 4.36 | 4.40 | 4.43 |
| Guinness | 5.86 | 5.75 | 5.83 | 5.83 |
| GUS | 6.17 | 6.08 | 6.15 | 6.16 |
| Hays | 5.67 | 5.62 | 5.64 | 5.63 |
| HSBC Hldgs | 22.25 | 20.85 | 21.55 | 21.18 |
| ICI | 10.28 | 10.13 | 10.18 | 10.15 |
| Impl Tobacco | 3.82 | 3.78 | 3.78 | 3.80 |
| Kingfisher | 7.22 | 7.02 | 7.21 | 7.06 |
| Ladbroke | 2.51 | 2.40 | 2.48 | 2.41 |
| Land Sec | 9.25 | 9.13 | 9.20 | 9.24 |
| Lasmo | 2.79 | 2.73 | 2.77 | 2.76 |
| Legal Genl Grp | 4.38 | 4.30 | 4.38 | 4.36 |
| Lloyds TSB Gp | 7.56 | 7.18 | 7.27 | 7.36 |
| Lucas Varity | 1.97 | 1.91 | 1.96 | 1.92 |
| Marks Spencer | 5.97 | 5.86 | 5.89 | 5.94 |
| MEPC | 4.92 | 4.85 | 4.91 | 4.89 |
| Mercury Asset | 13.60 | 13.48 | 13.50 | 13.60 |
| National Grid | 2.59 | 2.56 | 2.59 | 2.57 |
| Natl Power | 5.45 | 5.33 | 5.37 | 5.42 |
| NatWest | 8.76 | 8.58 | 8.67 | 8.70 |
| Next | 7.65 | 7.55 | 7.59 | 7.64 |
| Norwich Union | 3.23 | 3.17 | 3.17 | 3.21 |
| Orange | 2.10 | 2.07 | 2.08 | 2.08 |
| P&O | 6.34 | 6.15 | 6.30 | 6.18 |
| Pearson | 6.98 | 6.75 | 6.95 | 6.65 |
| Pilkington | 1.37 | 1.33 | 1.36 | 1.35 |
| PowerGen | 7.26 | 7.10 | 7.11 | 7.26 |
| Premier Farnell | 5.10 | 5.05 | 5.05 | 5.09 |
| Prudential | 6.02 | 5.92 | 5.99 | 5.93 |
| Railtrack Gp | 7.85 | 7.59 | 7.59 | 7.83 |
| Rank Group | 3.65 | 3.57 | 3.60 | 3.56 |
| Reckitt Coln | 9.97 | 9.68 | 9.86 | 9.98 |
| Redland | 2.92 | 2.83 | 2.89 | 2.90 |
| Reed Intl | 6.12 | 6.03 | 6.08 | 6.08 |
| Rentokil Initial | 2.16 | 2.11 | 2.14 | 2.15 |
| Reuters Hdgs | 6.40 | 6.25 | 6.35 | 6.42 |
| Rexam | 2.62 | 2.57 | 2.62 | 2.62 |
| RMC Group | 9.85 | 9.65 | 9.67 | 9.90 |
| Rolls Royce | 2.38 | 2.36 | 2.36 | 2.36 |
| Royal Bk Scot | 6.48 | 6.37 | 6.38 | 6.46 |
| RTZ reg | 9.85 | 9.75 | 9.76 | 9.82 |
| Royal & Sun All | 5.05 | 4.92 | 4.93 | 5.04 |
| Safeway | 3.88 | 3.83 | 3.85 | 3.83 |
| Sainsbury | 4.29 | 4.22 | 4.29 | 4.26 |
| Schroders | 18.35 | 17.85 | 17.85 | 18.12 |
| Scot Newcastle | 7.25 | 7.13 | 7.22 | 7.24 |
| Scot Power | 4.24 | 4.14 | 4.20 | 4.20 |
| Securicor | 2.77 | 2.75 | 2.75 | 2.76 |
| Severn Trent | 8.60 | 8.47 | 8.47 | 8.64 |
| Shell Transp R | 4.46 | 4.36 | 4.44 | 4.39 |
| Siebe | 10.95 | 10.90 | 10.90 | 10.93 |
| Smith Nephew | 1.75 | 1.73 | 1.73 | 1.75 |
| SmithKline | 11.70 | 11.52 | 11.60 | 11.71 |
| Smiths Ind | 7.97 | 7.90 | 7.93 | 7.96 |
| Sthern Elec | 4.47 | 4.37 | 4.42 | 4.44 |
| Stagecoach | 6.80 | 6.70 | 6.71 | 6.79 |
| Stand Charter | 10.40 | 9.91 | 10.08 | 9.94 |
| Tate & Lyle | 4.05 | 4 | 4.01 | 4.04 |
| Tesco | 4.24 | 4.17 | 4.20 | 4.22 |
| Thames Water | 7.80 | 7.71 | 7.78 | 7.87 |
| 3i Group | 4.72 | 4.62 | 4.62 | 4.72 |
| TI Group | 5.44 | 5.32 | 5.43 | 5.36 |
| Tomkins | 3.10 | 3.05 | 3.08 | 3.06 |
| Unilever | 18.42 | 18.17 | 18.40 | 18.23 |
| Utd Assurance | 4.35 | 4.30 | 4.35 | 4.32 |
| Utd News | 7.05 | 6.86 | 6.90 | 7 |
| Utd Utilities | 6.98 | 6.90 | 6.93 | 7.02 |
| Vendome Lx uts | 4.50 | 4.47 | 4.49 | 4.52 |
| Vodafone | 3.07 | 3.03 | 3.04 | 3.05 |
| Whitbread | 8.57 | 8.49 | 8.55 | 8.54 |
| Williams Hdgs | 3.27 | 3.24 | 3.26 | 3.26 |
| Wolseley | 4.37 | 4.32 | 4.35 | 4.32 |
| WPP Group | 2.65 | 2.58 | 2.62 | 2.56 |
| Zeneca | 22.04 | 19.90 | 20.03 | 20.19 |

### Madrid
Bolsa index: 583.72
Previous: 592.41

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Acerinox | 28000 | 27510 | 27550 | 27880 |
| ACESA | 1790 | 1755 | 1755 | 1775 |
| Aguas Barcelon | 5930 | 5760 | 5800 | 5930 |
| Argentaria | 8400 | 8050 | 8120 | 8400 |
| BBV | 3980 | 3880 | 3945 | 4000 |
| Banesto | 1465 | 1425 | 1430 | 1450 |
| Bankinter | 7860 | 7510 | 7600 | 7800 |
| Bco Centro Hisp | 5900 | 5700 | 5800 | 5900 |
| Bco Popular | 34500 | 34160 | 34260 | 34400 |
| Bco Santander | 4320 | 4230 | 4260 | 4340 |
| CEPSA | 4700 | 4640 | 4660 | 4700 |
| Continente | 3275 | 3060 | 3230 | 3280 |
| Corp Mapfre | 8540 | 8110 | 8320 | 8500 |
| Endesa | 3270 | 3095 | 3130 | 3180 |
| FECSA | 1260 | 1235 | 1235 | 1260 |
| Gas Natural | 7300 | 6950 | 7000 | 7250 |
| Iberdrola | 1785 | 1750 | 1760 | 1755 |
| Pryca | 2975 | 2860 | 2925 | 2905 |
| Repsol | 6220 | 6080 | 6100 | 6210 |
| Sevillana Elec | 1425 | 1375 | 1400 | 1410 |
| Tabacalera | 8170 | 7710 | 7710 | 8100 |
| Telefonica | 4065 | 3965 | 3990 | 4060 |
| Union Fenosa | 1235 | 1215 | 1230 | 1225 |
| Valenc Cement | 2545 | 2510 | 2545 | 2520 |

### Manila
PSE index: 2639.53
Previous: 2635.64

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Ayala B | 18.75 | 18 | 18.25 | 18 |
| Ayala Land | 22 | 21.25 | 21.50 | 21.75 |
| Bk Philip Isl | 153 | 151 | 151 | 152 |
| C&P Homes | 9.80 | 9.60 | 9.70 | 9.50 |
| Manila Elec A | 84.50 | 84 | 84.50 | 84.50 |
| Metro Bank | 565 | 555 | 565 | 565 |
| Petron | 6.20 | 6 | 6 | 6.10 |
| PCIBank | 231 | 225 | 225 | 230 |
| Phil Long Dist | 955 | 940 | 945 | 955 |
| San Miguel B | 63 | 61 | 63 | 61.50 |
| SM Prime Hdg | 7.90 | 7.70 | 7.90 | 7.70 |

## To Our Readers

Some stock market prices were not available Monday because of transmission problems.

### Milan
MIB Telematico: 14438.00
Previous: 14695.00

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Alleanza Assic | 15045 | 14650 | 14700 | 15300 |
| Bca Comm Ital | 4050 | 3930 | 3990 | 4090 |
| Bca Fideuram | 5890 | 5660 | 5830 | 5865 |
| Bca di Roma | 1668 | 1605 | 1668 | 1595 |
| Benetton | 27350 | 26300 | 26900 | 27450 |
| Credito Italiano | 3455 | 3345 | 3445 | 3530 |
| Edison | 8370 | 8150 | 8215 | 8470 |
| ENI | 10475 | 10210 | 10300 | 10530 |
| Fiat | 5940 | 5870 | 5925 | 5970 |
| Generali Assic | 35400 | 34550 | 34700 | 35900 |
| IMI | 17190 | 16310 | 17050 | 16895 |
| INA | 2620 | 2580 | 2615 | 2610 |
| Italgas | 5470 | 5330 | 5345 | 5470 |
| Mediaset | 8110 | 8000 | 8030 | 8200 |
| Mediobanca | 11725 | 11480 | 11695 | 11990 |
| Montedison | 1145 | 1121 | 1128 | 1145 |
| Olivetti | 634 | 620 | 629 | 642 |
| Parmalat | 2540 | 2495 | 2515 | 2550 |
| Pirelli | 4890 | 4720 | 4750 | 4890 |
| RAS | 15100 | 14855 | 14905 | 15200 |
| Rolo Banca | 21900 | 21050 | 21050 | 21950 |
| S Paolo Torino | 13550 | 13305 | 13500 | 13770 |
| Telecom Italia | 11190 | 10960 | 11060 | 11390 |
| TIM | 6150 | 6025 | 6150 | 6125 |

### Oslo
OBX index: 700.00
Previous: 697.82

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Aker A | 148 | 146 | 147.50 | 146 |
| Bergesen Dy A | 195 | 192 | 195 | 195 |
| Christiania Bk | 28 | 26.90 | 27.90 | 27.10 |
| Den norske Bk | 33.10 | 32.30 | 33.10 | 32.30 |
| Elkem | 154.50 | 150 | 154 | 151 |
| Hafslund A | 47 | 46.50 | 47 | 47 |
| Kvaerner Asa | 439 | 436.50 | 439 | 441.50 |
| Norsk Hydro | 400 | 396 | 396 | 398 |
| Norske Skog A | 284 | 278 | 278 | 284 |
| Nycomed A | 158 | 153 | 157.50 | 153 |
| Orkla Asa A | 548 | 546 | 546 | 550 |
| Petm GeoSvc | 425 | 417 | 417 | 416 |
| Saga Petim A | 153 | 150 | 151 | 150 |
| Schibsted | 129 | 127 | 127 | 133 |
| Transocean Off | 615 | 615 | 615 | 620 |
| Storebrand Asa | 48.20 | 47.90 | 48.10 | 47.80 |

### Paris
CAC-40: 2992.41
Previous: 3049.44

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Accor | 942 | 925 | 937 | 925 |
| AGF | 220 | 209.40 | 212.90 | 219 |
| Air Liquide | 973 | 935 | 947 | 970 |
| Alcatel Alsth | 865 | 839 | 845 | 859 |
| Axa-UAP | 407 | 399.20 | 400.40 | 405.30 |
| Bancaire | 777 | 762 | 764 | 773 |
| BIC | 540 | 515 | 530 | 532 |
| BNP | 284.80 | 278 | 280.50 | 285 |
| Canal Plus | 1162 | 1135 | 1135 | 1161 |
| Carrefour | 4120 | 4039 | 4051 | 4118 |
| Casino | 290 | 284.10 | 285.30 | 288 |
| CCF | 315.50 | 305.10 | 310 | 317.60 |
| Cetelem | 725 | 696 | 700 | 721 |
| Christian Dior | 998 | 975 | 977 | 990 |
| CLF-Dexia Fran | 610 | 581 | 584 | 600 |
| Credit Agricole | 1270 | 1270 | 1270 | 1242.20 |
| Danone | 973 | 950 | 952 | 965 |
| Elf-Aquitaine | 694 | 672 | 676 | 693 |
| Eridania BS | 894 | 842 | 864 | 882 |
| Eurodisney | 9 | 8.90 | 9 | 9 |
| Eurotunnel | 7.55 | 7.35 | 7.55 | 7.55 |
| Gen. Eaux | 761 | 738 | 740 | 766 |
| Havas | 426.90 | 411.50 | 412.90 | 420 |
| Imetal | 874 | 857 | 868 | 870 |
| Lafarge | 428.40 | 413 | 419.60 | 428.50 |
| Legrand | 1240 | 1190 | 1205 | 1237 |
| L'Oreal | 2480 | 2384 | 2390 | 2445 |
| LVMH | 1590 | 1520 | 1527 | 1564 |
| Michelin B | 393 | 378 | 379.90 | 388 |
| Paribas A | 451.90 | 443 | 448.10 | 447 |
| Pernod Ricard | 307 | 299 | 300.50 | 307.80 |
| Peugeot Cit | 706 | 686 | 693 | 698 |
| Pinault-Print | 2756 | 2715 | 2738 | 2760 |
| Promodes | 2450 | 2368 | 2386 | 2430 |
| Renault | 172 | 166 | 166.90 | 173 |
| Rexel | 1688 | 1651 | 1662 | 1670 |
| Rh-Poulenc A | 266.70 | 252.50 | 258.30 | 267.90 |
| Sanofi | 645 | 608 | 613 | 616 |
| Schneider | 354.90 | 335.90 | 339.10 | 350 |
| SEB | 1055 | 1022 | 1025 | 1041 |
| SGS Thomson | 569 | 561 | 568 | 564 |
| Ste Generale | 818 | 807 | 810 | 822 |
| Sodexho | 3135 | 3020 | 3045 | 3100 |
| St Gobain | 897 | 877 | 887 | 893 |
| Suez (Cie) | 16.30 | 16.20 | 16.20 | 16.50 |
| Suez Lyon Eaux | 685 | 662 | 667 | 680 |
| Synthelabo | 765 | 752 | 760 | 757 |
| Thomson CSF | 164.70 | 160 | 160.10 | 163 |
| Total B | 618 | 597 | 600 | 610 |
| Usinor | 119.50 | 115.10 | 115.10 | 119.20 |
| Valeo | 395 | 388 | 393 | 384 |

### Seoul
Composite index: 734.19
Previous: 731.45

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Dacom | 96000 | 94000 | 94500 | 95000 |
| Daewoo Heavy | 7850 | 7650 | 7840 | 7830 |
| Hyundai Eng. | 20600 | 20200 | 20500 | 20500 |
| Kia Motors | 16900 | 15200 | 15200 | 16300 |
| Korea El Pwr | 26300 | 25500 | 26000 | 25800 |
| Korea Exch Bk | 5410 | 5200 | 5400 | 5220 |
| LG Semicon | 44900 | 43800 | 44900 | 44000 |
| Pohang Iron St | 58300 | 56400 | 58100 | 56700 |
| Samsung Display | 45000 | 43600 | 45000 | 44100 |
| Samsung Elec | 66300 | 65000 | 66000 | 65500 |
| Shinhan Bank | 9600 | 9500 | 9540 | 9550 |
| SK Telecom | 455000 | 442000 | 453000 | 450000 |

### Singapore
Straits Times: 1963.60
Previous: 1955.25

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Asia Pac Brew | N.T. | N.T. | N.T. | 5.90 |
| Cerebos Pac | 5.70 | 5.60 | 5.60 | 5.60 |
| City Devits | 13 | 12.50 | 12.90 | 12.40 |
| Cycle Carriage | 13 | 12.90 | 13 | 12.90 |
| Dairy Farm Int * | 0.89 | 0.87 | 0.87 | 0.89 |
| DBS foreign | 18.80 | 18.60 | 18.60 | 18.90 |
| DBS Land | 4.62 | 4.50 | 4.52 | 4.60 |
| Fraser & Neave | 10.50 | 10.20 | 10.50 | 10.10 |
| HK Land * | 2.57 | 2.52 | 2.55 | 2.55 |
| Jard Matheson * | 7.10 | 7 | 7.05 | 7.10 |
| Jard Strategic * | 3.78 | 3.74 | 3.76 | 3.70 |
| Keppel A | 6.30 | 6.25 | 6.25 | 6.25 |
| Keppel Bank | 3.78 | 3.70 | 3.72 | 3.80 |
| Keppel Fels | 5 | 4.96 | 5 | 4.96 |
| Keppel Land | 4.36 | 4.30 | 4.30 | 4.34 |
| OCBC foreign | 14.70 | 14.40 | 14.40 | 14.60 |
| OS Union Bk F | 9.40 | 9.20 | 9.25 | 9.40 |
| Parkway Hdgs | 6.55 | 6.50 | 6.50 | 6.60 |
| Sembawang | 6.65 | 6.60 | 6.65 | 6.70 |
| Sing Air foreign | 13.60 | 13.30 | 13.50 | 13.50 |
| Sing Land | 7.45 | 7.35 | 7.40 | 7.40 |
| Sing Press F | 28.50 | 28 | 28.50 | 27.80 |
| Sing Tech Ind | 3.78 | 3.68 | 3.70 | 3.70 |
| Sing Telecomm | 2.78 | 2.74 | 2.78 | 2.76 |
| Tat Lee Bank | 2.83 | 2.78 | 2.78 | 2.83 |
| Utd Industrial | 1.15 | 1.10 | 1.11 | 1.15 |
| Utd O'Sea Bk F | 15.40 | 15 | 15.10 | 15.40 |
| Wing Tai Hdgs | 4.04 | 3.94 | 3.96 | 4 |

*: in U.S. dollars.

### Stockholm
SX 16 index: 3504.94
Previous: 3523.37

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| AGA B | 111.50 | 106.50 | 107 | 111.50 |
| ABB A | 106 | 105 | 105.50 | 105.50 |
| AssiDoman | 237 | 230 | 230 | 237 |
| Astra A | 146 | 141.50 | 145.50 | 142 |
| Atlas Copco A | 232 | 224 | 225 | 232.50 |
| Autoliv | 287 | 282 | 283.50 | 282.50 |
| Electrolux B | 615 | 598 | 600 | 615 |
| Ericsson B | 362.50 | 352 | 354 | 361.50 |
| Hennes B | 338 | 331 | 332 | 337 |
| Incentive A | 645 | 640 | 643 | 650 |
| Investor B | 421 | 415 | 415.50 | 417 |
| MoDo B | 282 | 274.50 | 276 | 277.50 |
| Nordbanken | 264 | 260 | 262.50 | 264 |
| Pharm/Upjohn | 308.50 | 300.50 | 304.50 | 304 |
| Sandvik B | 241 | 235 | 235 | 241.50 |
| Scania B | 234.50 | 222 | 227.50 | 225 |
| SCA B | 186.50 | 181.50 | 183 | 186 |
| S-E Banken A | 91.50 | 88.50 | 89 | 91 |
| Skandia Fors | 325 | 319 | 323.50 | 325 |
| Skanska B | 342.50 | 337 | 339 | 343.50 |
| SKF B | 213 | 206 | 210 | 214 |
| Sparbanken A | 180 | 174 | 176.50 | 175 |
| Stora A | 132.50 | 130.50 | 131.50 | 131.50 |
| Sv Handles A | 255.50 | 252 | 254 | 255 |
| Volvo B | 217 | 213 | 214.50 | 214 |

### Sydney
All Ordinaries: 2705.80
Previous: 2727.50

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Amcor | 8.57 | 8.48 | 8.48 | 8.59 |
| ANZ Bkng | 10.70 | 10.47 | 10.51 | 10.70 |
| BHP | 17.98 | 17.82 | 17.85 | 18.01 |
| Boral | 4.12 | 4.06 | 4.06 | 4.13 |
| Brambles Ind. | 27.88 | 27.55 | 27.65 | 28 |
| CBA | 16.65 | 16.48 | 16.53 | 16.65 |
| CC Amatil | 16.25 | 16.04 | 16.14 | 16.25 |
| Coles Myer | 6.89 | 6.77 | 6.77 | 6.85 |
| Comalco | 7.05 | 6.98 | 7 | 7.07 |
| CSR | 5.15 | 5.05 | 5.15 | 5.16 |
| Fosters Brew | 2.63 | 2.59 | 2.59 | 2.61 |
| Goodman Fld | 2.09 | 2.02 | 2.02 | 2.10 |
| ICI Australia | 13.42 | 13.35 | 13.35 | 13.46 |
| Lend Lease | 29.87 | 29.41 | 29.85 | 30.10 |
| MIM Hdgs | 1.83 | 1.78 | 1.81 | 1.84 |
| Nat Aust Bank | 19.46 | 19.32 | 19.37 | 19.51 |
| Nat Mutual Hdg | 2.25 | 2.20 | 2.23 | 2.25 |
| News Corp | 6.15 | 6.07 | 6.09 | 6.13 |
| Pacific Dunlop | 3.63 | 3.53 | 3.58 | 3.64 |
| Pioneer Intl | 4.87 | 4.80 | 4.84 | 4.82 |
| Pub Broadcast | 8.39 | 8.25 | 8.30 | 8.40 |
| Rio Tinto | 20.70 | 20.58 | 20.67 | 20.79 |
| St George Bank | 8.95 | 8.76 | 8.81 | 8.95 |
| WMC | 7.73 | 7.55 | 7.70 | 7.64 |
| Westpac Bking | 8.59 | 8.45 | 8.46 | 8.62 |
| Woodside Pet | 11.19 | 11.05 | 11.10 | 11.22 |
| Woolworths | 4.28 | 4.19 | 4.24 | 4.26 |

### Taipei
Stock Market index: 10065.76
Previous: 10001.56

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Cathay Life Ins | 156 | 151 | 151 | 154 |
| Chang Hwa Bk | 123 | 119 | 119.50 | 120.50 |
| Chiao Tung Bk | 84 | 79 | 80 | 84 |
| China Develpmt | 139.50 | 136 | 136 | 138.50 |
| China Steel | 31.70 | 31 | 31.20 | 31.40 |
| First Bank | 123 | 120 | 120 | 120.50 |
| Formosa Plastic | 67 | 65 | 65 | 66 |
| Hua Nan Bk | 132.50 | 127 | 128.50 | 130.50 |
| Intl Comm Bk | 66.50 | 64 | 64 | 66 |
| Nan Ya Plastics | 77 | 75 | 75 | 75.50 |
| Shin Kong Life | 114 | 108 | 109 | 113 |
| Taiwan Semi | 164 | 155 | 163 | 153 |
| Tatung | 48.70 | 47.10 | 47.20 | 48.40 |
| Utd Micro Elec | 145 | 135 | 144 | 133 |
| Utd World Chin | 65 | 63.50 | 63.50 | 63.50 |

### Tokyo
Nikkei 225: 19668.87
Previous: 19804.38

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Ajinomoto | 1120 | 1070 | 1090 | 1100 |
| All Nippon Air | 720 | 702 | 705 | 710 |
| Amway | 3690 | 3610 | 3620 | 3640 |
| Asahi Bank | 845 | 835 | 837 | 852 |
| Asahi Chem | 623 | 604 | 609 | 616 |
| Asahi Glass | 1060 | 1050 | 1060 | 1050 |
| Bk Tokyo Mitsu | 2170 | 2120 | 2150 | 2130 |
| Bk Yokohama | 573 | 568 | 569 | 573 |
| Bridgestone | 2780 | 2730 | 2770 | 2720 |
| Canon | 3730 | 3570 | 3620 | 3660 |
| Chubu Elec | 2030 | 2020 | 2020 | 2030 |
| Chugoku Elec | 1990 | 1970 | 1970 | 1960 |
| Dai Nippon Print | 2760 | 2680 | 2710 | 2730 |
| Daiei | 880 | 845 | 860 | 885 |
| Dai-Ichi Kang | 1450 | 1410 | 1440 | 1450 |
| Daiwa Bank | 580 | 550 | 560 | 580 |
| Daiwa House | 1340 | 1310 | 1340 | 1310 |
| Daiwa Sec | 810 | 796 | 798 | 813 |
| DDI | 8000a | 7750a | 7830a | 7710a |
| Denso | 2920 | 2810 | 2830 | 2900 |
| East Japan Ry | 5120a | 5090a | 5100a | 5100a |
| Eisai | 2550 | 2470 | 2480 | 2500 |
| Fanuc | 5440 | 5150 | 5250 | 5390 |
| Fuji Bank | 1510 | 1440 | 1440 | 1480 |
| Fuji Photo | 4970 | 4720 | 4800 | 4900 |
| Fujitsu | 1770 | 1720 | 1740 | 1760 |
| Hachijuni Bk | 1110 | 1100 | 1100 | 1090 |
| Hitachi | 1360 | 1320 | 1350 | 1360 |
| Honda Motor | 3820 | 3660 | 3730 | 3830 |
| IBJ | 1620 | 1550 | 1560 | 1600 |
| IHI | 400 | 390 | 394 | 391 |
| Itochu | 542 | 530 | 537 | 528 |
| Ito-Yokado | 6550 | 6450 | 6500 | 6420 |
| JAL | 504 | 482 | 500 | 500 |
| Japan Tobacco | 9400a | 9310a | 9380a | 9220a |
| Jusco | 3290 | 3180 | 3210 | 3150 |
| Kajima | 601 | 571 | 581 | 560 |
| Kansai Elec | 2240 | 2200 | 2240 | 2220 |
| Kao | 1770 | 1740 | 1760 | 1760 |
| Kawasaki Hvy | 480 | 466 | 470 | 475 |
| Kawa Steel | 325 | 315 | 325 | 330 |
| Kinki Nipp Ry | 684 | 677 | 684 | 670 |
| Kirin Brewery | 1090 | 1070 | 1090 | 1070 |
| Kobe Steel | 191 | 188 | 188 | 185 |
| Komatsu | 794 | 771 | 794 | 780 |
| Kubota | 492 | 480 | 492 | 479 |
| Kyocera | 10100 | 9490 | 9990 | 9990 |
| Kyushu Elec | 1950 | 1940 | 1950 | 1920 |
| LTCB | 519 | 512 | 515 | 520 |
| Marubeni | 482 | 454 | 459 | 480 |
| Marui | 1940 | 1900 | 1920 | 1910 |
| Matsu Comm | 5120 | 5000 | 5050 | 4920 |
| Matsu Elec Ind | 2480 | 2420 | 2430 | 2470 |
| Matsu Elec Wk | 1440 | 1410 | 1440 | 1440 |
| Mitsubishi | 1250 | 1210 | 1220 | 1220 |
| Mitsubishi Ch | 315 | 303 | 306 | 301 |
| Mitsubishi El | 631 | 607 | 621 | 627 |
| Mitsubishi Est | 1640 | 1560 | 1580 | 1620 |
| Mitsubishi Hvy | 823 | 805 | 807 | 822 |
| Mitsubishi Mat | 674 | 665 | 669 | 685 |
| Mitsubishi Tr | 1690 | 1630 | 1640 | 1660 |
| Mitsui | 1120 | 1080 | 1110 | 1100 |
| Mitsui Fudosn | 1440 | 1390 | 1400 | 1460 |
| Mitsui Trust | 719 | 690 | 698 | 702 |
| Murata Mfg | 5210 | 5090 | 5090 | 5210 |
| NEC | 1740 | 1680 | 1710 | 1710 |
| Nikon | 2110 | 2040 | 2100 | 2060 |
| Nikko Sec | 648 | 633 | 633 | 647 |
| Nintendo | 11700 | 11100 | 11500 | 11900 |
| Nipp Express | 760 | 749 | 753 | 742 |
| Nippon Oil | 534 | 521 | 528 | 520 |
| Nippon Steel | 329 | 316 | 317 | 320 |
| Nissan Motor | 758 | 712 | 730 | 785 |
| NKK | 220 | 209 | 211 | 212 |
| Nomura Sec | 1700 | 1630 | 1650 | 1680 |
| NTT | 1220b | 1180b | 1210b | 1220b |
| NTT Data | 5480b | 5260b | 5350b | 5400b |
| Oji Paper | 600 | 581 | 600 | 600 |
| Osaka Gas | 289 | 280 | 287 | 280 |
| Ricoh | 1870 | 1810 | 1810 | 1800 |
| Rohm | 14800 | 14600 | 14800 | 14500 |
| Sakura Bk | 715 | 698 | 702 | 717 |
| Sankyo | 4220 | 4040 | 4090 | 4210 |
| Sanwa Bank | 1610 | 1530 | 1540 | 1580 |
| Sanyo Elec | 485 | 470 | 479 | 486 |
| Secom | 9000 | 8750 | 9000 | 8720 |
| Seibu Rwy | 5520 | 5420 | 5420 | 5420 |
| Sekisui Chem | 988 | 977 | 981 | 994 |
| Sekisui House | 1140 | 1110 | 1130 | 1140 |
| Seven-Eleven | 9260 | 9020 | 9020 | 9160 |
| Sharp | 1500 | 1460 | 1480 | 1510 |
| Shikoku El Pwr | 1960 | 1940 | 1950 | 1950 |
| Shimizu | 600 | 580 | 585 | 589 |
| Shin-etsu Ch | 3370 | 3250 | 3290 | 3320 |
| Shiseido | 1970 | 1920 | 1930 | 1970 |
| Shizuoka Bk | 1230 | 1190 | 1210 | 1230 |
| Softbank | 6000 | 5710 | 5740 | 5980 |
| Sony | 12300 | 11500 | 12000 | 12200 |
| Sumitomo | 1050 | 1030 | 1040 | 1020 |
| Sumitomo Bk | 1820 | 1760 | 1800 | 1840 |
| Sumit Chem | 467 | 450 | 450 | 455 |
| Sumitomo Elec | 1970 | 1930 | 1950 | 1970 |
| Sumit Metal | 286 | 281 | 285 | 279 |
| Sumit Trust | 1110 | 1070 | 1070 | 1090 |
| Taisho Pharm | 3090 | 3050 | 3060 | 3080 |
| Takeda Chem | 3520 | 3350 | 3370 | 3560 |
| TDK | 10400 | 9900 | 10200 | 9900 |
| Tohoku El Pwr | 1980 | 1940 | 1980 | 1940 |
| Tokai Bank | 1070 | 1030 | 1030 | 1050 |
| Tokio Marine | 1480 | 1410 | 1430 | 1480 |
| Tokyo El Pwr | 2260 | 2220 | 2250 | 2240 |
| Tokyo Electron | 7340 | 7100 | 7300 | 7350 |
| Tokyo Gas | 294 | 289 | 290 | 294 |
| Tokyu Corp. | 639 | 625 | 632 | 630 |
| Tonen | 1230 | 1190 | 1220 | 1240 |
| Toppan Print | 1910 | 1860 | 1880 | 1900 |
| Toray Ind | 774 | 753 | 764 | 771 |
| Toshiba | 764 | 732 | 746 | 770 |
| Tostem | 2620 | 2590 | 2600 | 2610 |
| Toyo Trust | 915 | 892 | 895 | 904 |
| Toyota Motor | 3400 | 3230 | 3290 | 3510 |
| Yamanouchi | 3100 | 3020 | 3070 | 3120 |

a: x 100; b: x 1,000

### The Trib Index

Prices as of 3:00 P.M. New York time.

| Jan. 1, 1992 = 100. | Level | Change | % change | year to date % change |
|---|---|---|---|---|
| World Index | 177.99 | -0.75 | -0.42 | +19.34 |
| **Regional Indexes** | | | | |
| Asia/Pacific | 129.20 | -1.84 | -1.40 | +4.67 |
| Europe | 185.58 | -2.45 | -1.30 | +15.12 |
| N. America | 213.30 | +2.99 | +1.42 | +31.74 |
| S. America | 171.32 | -2.41 | -1.39 | +49.72 |
| **Industrial Indexes** | | | | |
| Capital goods | 230.32 | +0.15 | +0.07 | +34.75 |
| Consumer goods | 196.81 | -0.68 | -0.34 | +21.92 |
| Energy | 199.38 | +1.38 | +0.70 | +18.79 |
| Finance | 132.56 | -2.06 | -1.53 | +13.82 |
| Miscellaneous | 190.16 | +1.21 | +0.64 | +17.54 |
| Raw Materials | 191.77 | -1.70 | -0.88 | +9.35 |
| Service | 168.68 | +0.01 | +0.01 | +22.84 |
| Utilities | 165.58 | -2.30 | -1.37 | +15.42 |

*The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.* Compiled by Bloomberg News.

## Market Closed

The Toronto stock market was closed Monday for a holiday.

### Vienna
ATX index: 1452.11
Previous: 1471.46

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Boehler-Uddeh | 1025 | 1005 | 1008.10 | 1020 |
| Creditanst Pfd | 601.85 | 577 | 581.90 | 605.45 |
| EA-Generali | 3495 | 3423.50 | 3435 | 3495 |
| EVN | 1640 | 1606 | 1614 | 1620.50 |
| Flughafen Wien | 550 | 537.10 | 538 | 553.45 |
| OMV | 1789 | 1770 | 1780 | 1790 |
| Oest Elektriz | 879.90 | 866 | 876 | 879 |
| VA Stahl | 609.55 | 561 | 569.55 | 608 |
| VA Tech | 2677 | 2607 | 2615.10 | 2665 |
| Wienerberg Bau | 2766 | 2680 | 2705.50 | 2864 |

### Wellington
NZSE-40 index: 2558.78
Previous: 2574.63

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Air N Zeald B | 4.63 | 4.60 | 4.63 | 4.63 |
| Brierly Invt | 1.40 | 1.38 | 1.38 | 1.41 |
| Carter Holt ord | 3.79 | 3.75 | 3.79 | 3.82 |
| Fletch Ch Bldg | 4.41 | 4.38 | 4.41 | 4.42 |
| Fletch Ch Envy | 5.40 | 5.28 | 5.40 | 5.35 |
| Fletch Ch Forst | 2.01 | 1.98 | 1.99 | 2.01 |
| Fletch Ch Paper | 3.50 | 3.48 | 3.50 | 3.52 |
| Lion Nathan | 4.12 | 4.07 | 4.10 | 4.12 |
| Telecom NZ | 7.75 | 7.70 | 7.71 | 7.80 |
| Wilson Horton | 11.85 | 11.85 | 11.85 | 11.80 |

### Zurich
SPI index: 3685.87
Previous: 3752.66

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| ABB B | 2166 | 2120 | 2135 | 2149 |
| Adecco B | 600 | 582 | 586 | 589 |
| Alusuisse R | 1390 | 1373 | 1382 | 1375 |
| Ares-Serono B | 2490 | 2435 | 2435 | 2440 |
| Atel R | 850 | 850 | 850 | 850 |
| Baer Hdg B | 2192 | 2150 | 2150 | 2200 |
| Baloise Hdg R | 3715 | 3615 | 3630 | 3690 |
| BK Vision | 1250 | 1235 | 1238 | 1250 |
| Ciba Spec Chem | 140.50 | 136.50 | 136.50 | 139.50 |
| Clariant R | 1130 | 1086 | 1090 | 1128 |
| Crd Suisse Gp R | 202.75 | 196.25 | 196.75 | 204 |
| Elektrowatt B | 537 | 536 | 536 | 536 |
| Ems-Chemie | 6870 | 6750 | 6855 | 6780 |
| ESEC Hdg | 4990 | 4850 | 4900 | 4980 |
| Holderbank B | 1410 | 1366 | 1370 | 1413 |
| Liechtenst LB B | 598 | 595 | 598 | 598 |
| Nestle R | 1918 | 1888 | 1900 | 1919 |
| Novartis R | 2413 | 2343 | 2353 | 2427 |
| Oerlikon Buehr R | 152.25 | 149.50 | 151 | 154 |
| Pargesa Hld B | 1995 | 1970 | 1995 | 1970 |
| PharmVisn B | 980 | 955 | 956 | 967 |
| Richemont A | 2259 | 2215 | 2229 | 2230 |
| Pirelli PC | 335 | 330 | 334 | 335 |
| Roche Hdg PC | 14650 | 14210 | 14260 | 14625 |
| SBC R | 407 | 398.50 | 400 | 409 |
| Schindler PC | 1960 | 1920 | 1941 | 1989 |
| SGS B | 3055 | 3015 | 3045 | 3050 |
| SMH B | 865 | 853 | 860 | 865 |
| Sulzer R | 1157 | 1137 | 1137 | 1142 |
| Swiss Reins R | 2191 | 2151 | 2151 | 2199 |
| Swissair R | 1951 | 1901 | 1915 | 1947 |
| UBS B | 1683 | 1658 | 1668 | 1684 |
| Winterthur R | 1480 | 1458 | 1469 | 1487 |
| Zurich Assur R | 615 | 599 | 603 | 616 |

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*The Associated Press.*


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THE WORLD'S DAILY NEWSPAPER


Continued on Page 16

# Bank's Curb On Swaps Lifts Ringgit

## *But News of Controls Hurts Malaysian Stocks*

*Compiled by Our Staff From Dispatches*

KUALA LUMPUR — Malaysia's currency rebounded Monday, but the central bank's decision to limit the amount of ringgit that foreign speculators could obtain in the swap market pressured interest rates and the stock market.

The dollar fell here to 2.6135 ringgit from 2.6285 ringgit Friday and traded as low as 2.58 ringgit during the day.

"The ringgit's swap restrictions were the main catalyst that led the ringgit to strengthen," said Andy Tan, general manager of MMS International, a financial-services unit of Standard & Poor's Corp. The central bank, Bank Negara, said Sunday that local banks must limit currency swaps with overseas customers that are not trade-related to $2 million.

Swap agreements can be used for currency speculation or by multinational companies that have financial dealings in various countries. By limiting those that are not trade-related, Malaysia made it more difficult for speculators to get hold of ringgit.

The ringgit had fallen more than 4 percent against the dollar in the midst of the regional currency turmoil set off when the Thai baht was floated July 2.

"I don't think this move in itself has too much impact," said Chaing Yao Chye, head of Asia-Pacific research at CIBC in Singapore. "But what people are worried about is that it could put Malaysia a step back in terms of trying to be a financial center."

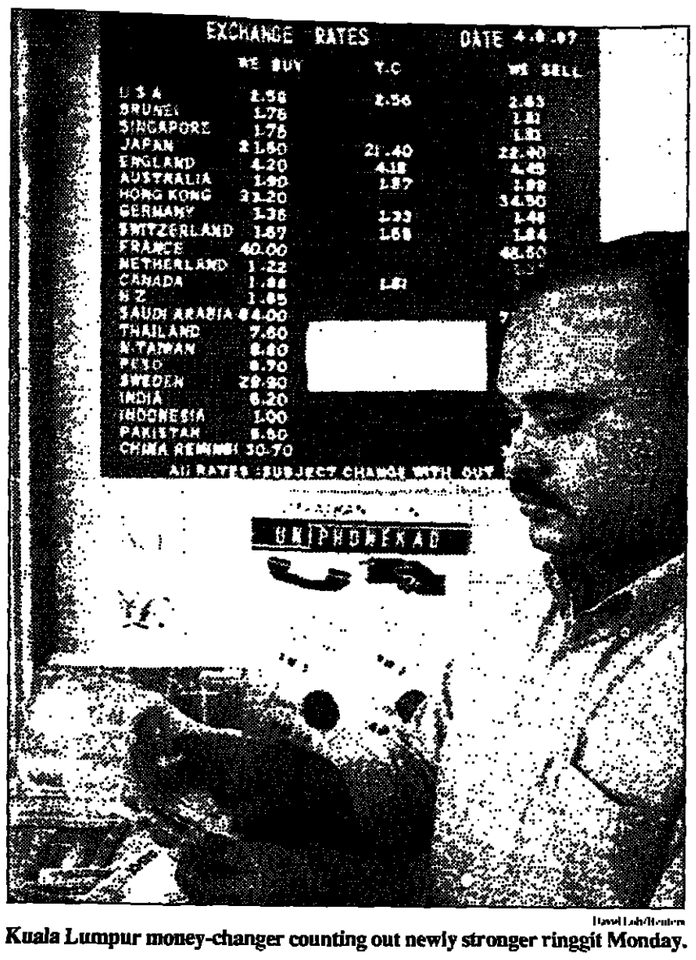
Deputy Prime Minister Anwar Ibrahim, who is also finance minister, said the central bank was not planning to further restrict ringgit trading. The restriction on swaps has had some side effects, creating a shortage of ringgit that put upward pressure on interest rates and depressed stock prices.

Bank Negara injected close to 1 billion ringgit into the money market Monday via local banks to lower pressure on the one-month interbank rate, according to C.S. Lum, economist with Phileo-Allied Securities, to try to cool excessive demand for the ringgit.

In the stock market, the benchmark Composite Index of 100 stocks fell 24.07 points, or 2.40 percent, to close at 978.56.

"It shows how worried the central bank is about the currency situation," said Ami Morris, head of institutional trading at Capitalcorp Securities. "Capital controls are always badly received by the equities markets."

*(AFP, AP, Reuters, Bloomberg)*




Reed Lah/Reuters

**Kuala Lumpur money-changer counting out newly stronger ringgit Monday.**

# *Growth in U.K. Buoys HSBC*

## First-Half Profit Rises 11%

*Compiled by Our Staff From Dispatches*

LONDON — HSBC Holdings PLC, the international financial group that grew out of Hongkong & Shanghai Banking Corp., said Monday that first-half pretax profit rose more than expected on strong growth at its British bank.

Net profit was up 11 percent, to £1.76 billion ($2.88 billion), while pretax profit rose 13 percent, to £2.62 billion. The company proposed an interim dividend of 20 pence a share, an increase of 33 percent.

In Hong Kong currency terms, HSBC's net profit rose 19 percent, to 22.2 billion Hong Kong dollars ($2.9 billion).

HSBC is based in London, but its main interests are in Hong Kong. It reports earnings in both currencies. Its assets include Hongkong & Shanghai Banking Corp. and Hang Seng Bank of Hong Kong as well as Midland Bank PLC of Britain.

Midland Bank reported net profit of £512 million, an increase of 17 percent from a year earlier, year, as fee income rose strongly and costs were virtually unchanged.

The highlight of the first half was rapid expansion in Latin America, with acquisition announcements in Brazil, Chile, Mexico, Peru and Argentina.

Hongkong & Shanghai Banking Corp.'s net profit rose 7 percent, to 10.31 billion Hong Kong dollars from 9.67 billion dollars. Hang Seng Bank, a Hong Kong bank controlled by Hongkong & Shanghai, said profit rose 14.5 percent, to 4.98 billion dollars.

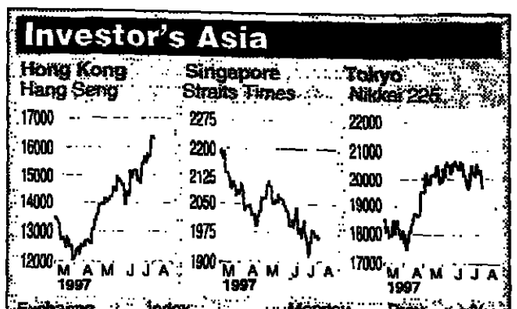
HSBC's chairman, Sir William Purves, said that despite the rise in the value of the pound over the first half of the year, which had an adverse impact on earnings comparisons, "our capital strength enabled us to make major investments while maintaining dividend growth."

Analysts said the earnings showed that British banks were continuing to benefit from strong growth and low inflation, while those in Hong Kong were profiting from record levels of mortgage lending and strong economic growth.

"They were very good numbers, and the dividend increase is something that really catches the eye," Nigel Cobby, an executive director at Morgan Stanley, Dean Witter, Discover & Co. in London, said.

*(AFP, Bloomberg)*

## Investor's Asia




| Exchange | Index | Monday Close | Prev. Close | % Change |
|---|---|---|---|---|
| Hong Kong | Hang Seng | 16,258.59 | 16,379.22 | -0.73 |
| Singapore | Straits Times | 1,963.66 | 1,968.25 | -0.45 |
| Sydney | All Ordinaries | 2,705.80 | 2,727.50 | -0.80 |
| Tokyo | Nikkei 225 | 19,668.67 | 19,804.82 | -0.69 |
| Kuala Lumpur | Composite | 976.56 | 1,000.63 | -2.40 |
| Bangkok | SET | 663.82 | 662.04 | +1.08 |
| Seoul | Composite Index | 734.19 | 730.43 | +0.51 |
| Taipei | Stock Market Index | 10,065.76 | 10,048.00 | +0.17 |
| Manila | PSE | 2,639.53 | 2,635.64 | +0.15 |
| Jakarta | Composite Index | 718.71 | 721.77 | -0.42 |
| Wellington | NZSE-40 | 2,568.78 | 2,574.93 | -0.62 |
| Bombay | Sensitive Index | 4,465.37 | 4,347.82 | +2.72 |

*Source: Telekurs* International Herald Tribune

## Very briefly:

• **Japanese** auto stocks fell 3.8 percent, and domestic auto sales tumbled 10.1 percent last month in Japan. **Toyota Motor Corp.** fell 220 yen to close at 3,290 ($27.71), **Nissan Motor Co.** dropped 55 to 730, **Honda Motor Co.** fell 100 to 3,730, and **Mitsubishi Motors Corp.** lost 15 to 670.

• **Toyota Motor**, the world's third-largest carmaker, is to build a $170 million plant in India, a $3 billion-a-year auto market now dominated by **Suzuki Motor Corp.**

• **Nippon Telegraph & Telephone Corp.** confirmed reports that it planned to acquire a 35 percent stake in **Sri Lanka Telecom Ltd.** for $225 million.

• **KDD**, a Japanese international telecommunications company, is to link up with **DDI Corp.**, a domestic long-distance carrier, to try to combat rising competition.

• **Nippon Hoechst Marion Roussel Ltd.** was ordered to pay more than 500 million yen in extra taxes because of understatements of its revenue in 1990-94.

• **Telekom Malaysia Bhd.** shares dropped 4 percent to a four-year low after Malaysia's biggest telecommunications company posted weaker-than-expected first-half earnings. The shares closed at 9.25 ringgit ($3.55), down 0.45. Telekom's net profit for the first half of 1997 rose 5.7 percent, to 889.9 million ringgit.

• **MDX PCL's** shares were suspended by Thailand's stock exchange because the property and power-plant developer missed a payment on a bond last week. MDX owed 57 million baht ($1.7 million) in interest on a 1 billion baht bond.

• **China's** Ministry of Posts and Telecommunications cut the price of international calls from Shanghai and Beijing by 40 percent between 1 A.M. and 7 A.M. to fight competition from companies offering cheap call-back services.

• **South Korea's** exports of 64-megabit dynamic random-access memory chips brought in $749 million in the first seven months of this year, or 17 percent of the country's $4.4 billion in total chip exports in the period, the Trade, Industry and Energy Ministry said.

*Bloomberg, Reuters, AFX, AFP*

# *Banks Are Said To Back Thailand With $5 Billion*

*Compiled by Our Staff From Dispatches*

TOKYO — Major commercial banks from the United States, Europe and Asia have decided to provide a $5 billion line of credit for Thailand to help defuse the country's currency crisis as part of a multilateral support program, a Japanese report said Monday.

Japanese banks are expected to provide half of the line of credit because they are Thailand's biggest creditors, the report said.

The private sector aims to complement programs designed by the International Monetary Fund and the Export-Import Bank to cover a shortfall in Thailand's foreign-currency reserves.

It is not clear whether actual loans will be necessary.

Meanwhile, Thailand moved closer to completing a multibillion-dollar international rescue package as economic ministers approved a bailout agreement with the International Monetary Fund.

The agreement, whose details are still being worked out, is likely to include a credit line while requiring the government to raise taxes and cut spending.

Thailand's 49-member cabinet will consider the plan Tuesday, and officials said that political opposition may prompt a change in some of the details.

"The IMF doesn't always come to terms with a country, but I don't think that will happen here," Robert Denham, chairman and chief executive officer of Salomon Inc., said after meeting with Finance Minister Thanong Bidaya in Bangkok.

*(Bridge News, AFP, Bloomberg)*

# Rise in Capital Spending Bolsters Hong Kong Growth

*Compiled by Our Staff From Dispatches*

HONG KONG — The economy grew at a faster-than-expected annual rate of 6.1 percent in the first quarter, government data showed Monday, as capital spending increased sharply.

The Census and Statistics Department, meanwhile, said real, or inflation-adjusted, growth in gross domestic product for 1995 had been revised downward to 4.5 percent from 4.7 percent and that 1996 GDP growth had been revised upward to 4.9 percent from 4.7 percent.

The government predicted in May that the economy would grow 5.5 percent this year.

"Growth will accelerate in the next few quarters," said Enzio von Pfiel, chief economist at Clarion Securities Asia Ltd. "You have the feel-good factor following the handover," he said, referring to Hong Kong's reversion to Chinese rule July 1.

The implicit price deflator of the GDP, a broad measure of inflation, rose 6.6 percent in the first quarter of 1997 from a year earlier.

Re-exports, mainly to and from China, rose 5.5 percent from a year earlier in the first quarter, after adjusting for inflation, while domestic exports fell 3.9 percent. Taken together, exports rose 4.0 percent after inflation, the government said, and imports rose 6.4 percent in the quarter.

Consumer spending rose 5.0 percent in real terms, while government spending rose 4.4 percent.

Construction spending rose 2.0 percent in real terms, while spending on machinery and equipment jumped 26 percent.

Exports of services rose 5.8 percent in the quarter, while imports of services increased 7.1 percent.

*(AFP, Bloomberg)*

# Kia Gets a Break; Suppliers Don't

*Compiled by Our Staff From Dispatches*

SEOUL — Creditor banks gave Kia Group a two-month reprieve on paying its debts Monday, but they refused to advance any cash to the conglomerate, putting about 5,000 contractors at risk.

"There was no measure to support cash-drained Kia contractors," an official of the Kia Subcontractors' Association said. "We're hopeless now."

Nine Kia contractors have failed since the conglomerate was placed under bankruptcy-law protection last month.

After two meetings that failed to lead to an accord, Kia's 59 creditors Monday to extend a grace period on loan payments until Sept. 29. But they also decided to delay extending new loans totaling 185.5 billion won ($208.6 million) because Kia's management had failed to submit resignation letters and to get labor unions to agree to job cuts that would reduce the work force by about 20 percent.

Kia owes about $10 billion. Chairman Kim Sun Hong and other managers said they would resign only if their cost-cutting plan failed. Kia proposed to shed 43.5 billion won in assets, reduce its number of subsidiaries by 80 percent and cut 8,800 jobs to try to improve its finances. Kia plans to concentrate on autos by reducing its divisions to five from 28. It also plans to raise 3.1 trillion won by selling real estate and subsidiaries.

*(Bloomberg, AP, AFP)*

## *Sales of CD-ROMs Help Profit Triple for LG*

*Bloomberg News*

SEOUL — LG Electronics Co., South Korea's largest home appliance manufacturer, said Monday its current profit more than tripled in the first half of the year because of increased sales of CD-ROM drives and air conditioners.

The profit surge also reflected a better-than-expected 20 percent increase in exports to Asian counties, said Seo Eun Sil, an LG spokeswoman.

Current profit in the period rose to 112.2 billion won ($126.2 million) from 35.1 billion won a year earlier. Sales rose 19.7 percent, to 4.4 trillion won.

Current profit is pretax profit that includes gains and losses made on investments in stocks and bonds, as well as profits and losses from other non-operating activities.

LG Electronics shares rose 900 won to close at 44,900 won on Monday.

# BARNEY'S : *Its Hong Kong Buyer Brings the Luxury of Capital*

**Continued from Page 11**

however, was the only suitor able to satisfy both the Pressman family and creditors of Barney's.

Barney's, which was started in 1923 by Bob and Gene Pressman's grandfather Barney with money he got from pawning his wife's engagement ring, grew over the years under the stewardship of the Pressman family into a luxury specialty store that often featured the most daring new fashions.

The company filed for protection under Chapter 11 of the U.S. Bankruptcy Code in January 1996 as a result of a cash crunch from its aggressive expansion and a dispute with Isetan.

Isetan, which financed the construction of the three flagship Barney's stores on Madison Avenue in Manhattan and in Chicago and Beverly Hills, maintained that it was owed millions of dollars in rent for those stores. The Pressmans contended that Isetan's building costs were investments it had made in exchange for an equity stake in the business.

That dispute spiraled into more litigation and bitterness than was occasioned by nearly any other retail bankruptcy of the decade and included a judgment of $197 million against the Pressmans for loans they had personally guaranteed.

The next step of dividing up the spoils will depend largely on negotiations with Isetan, absent from the acquisition process with Dickson, and what the Japanese company is willing to settle for. Isetan, however, cannot block the deal with Dickson Concepts.

The creditors, in particular so-called vulture investors who took the risk of buying Barney's trade debt for 80 cents on the dollar or less, are going to insist on recovering the bulk of their claims.

Those who take equity in the company will be betting that its future earnings, which have been largely depressed by the protracted bankruptcy, will bounce back with Mr. Poon overseeing the bottom line.

The deal is far removed from the one reached with Isetan at the end of the 1980s, when many retailers sought to expand overseas and Barney's was determined not to be left behind.

Mr. Poon, who will control Barney's outright, will have the final say on how the company spends money. He has a strong record in making retail and luxury-products investments.

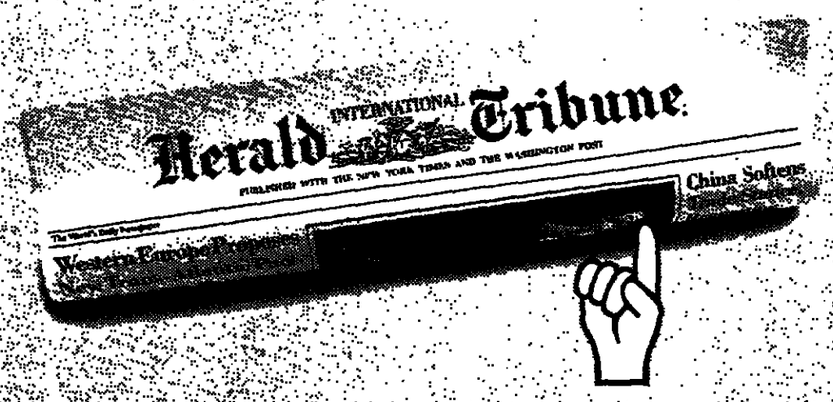
Beyond Harvey Nichols, he has a controlling stake in Seibu Department Stores in China.

The deal was struck after negotiations and on the heels of other offers. Saks Holdings, which owns Saks Fifth Avenue, made a bid in conjunction with Isetan for $290 million for the company, which was rejected, and Saks has said it will offer no more.

Dickson Concepts also bid $240 million earlier, but the less complicated deal was firmly rejected by the creditors' committee. Texas Pacific Group, an investment firm, was also negotiating with the company through Friday but did not get to the same numbers.

"The folks at the Blackstone Group, Peter J. Solomon and Cleary, Gottlieb, Steen & Hamilton pulled it together to get a complicated deal done," said Bob Pressman, referring respectively to Barney's investment bank, advisers to the creditor's committee and the law firm representing Poon.

The companies have until Aug. 15 to complete their agreements and file a motion with the court.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181 WP STEWART GLOBAL GROWTH
w WP Stewart Global Growth $ 14.3941

179 WP STEWART HOLDINGS N.V.
w WPSH (ADAM SE) $ 913.88

191 WPS INVESTISSEMENTS S.A.
d Global Technology Fund $ 179.83

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w Absolute Return Mgt. ARM SF 1140.51
r Actum Leveraged Fd FF 1322.91
w Adelaide $ 714.23

AS - Australian Dollars; AS - Austrian Schillings; BF - Belgian Francs; CS - Canadian Dollars; DM - Deutsche Marks; Dkk -Danish Kroner; Do - US Dollars; ECU - European Currency Unit; FF - French Francs; FM - Finnish Mark; FL - Dutch aFlorin; IDR - Indonesian Rupiah; Lit - Italian lira; LF - Luxembourg Francs; p-pence; MYR - Malaysian Ringgit; Ptas - Pesetas; SGS - Singapore Dollars; SF - Swiss Francs; Sek - Swedish Kronor; THB - Thai Baht; Y - Yen;

a - asked + - Offer Prices; N.A. - Not Available; N.C. - Not Communicated; o- New; S - suspended; S/S - stock Split; * - Ex-Dividend; ** - Ex-Rts; - @ Offer Price incl. 3% prelim. charge; * - Paris exchange; ++ -Amsterdam exchange; 4 - misquoted earlier; x-not registered with regulatory authority. P: Middle of bid and offered price. E: estimated price; y: price calculated 2 days prior to publication; z: bid price.

The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (f) - fortnightly; (r) - regularly; (t) - twice weekly; (m) - monthly.

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Herald International Tribune
SPORTS
TUESDAY, AUGUST 5, 1997

WORLD ROUNDUP

## Switzer Is Arrested

The Dallas Cowboys coach Barry Switzer was arrested Monday after a loaded revolver was discovered in his carry-on baggage at Dallas-Fort Worth International Airport, officials said.

Switzer was detained, his .38-caliber weapon was confiscated and he was released about two hours later on his own recognizance. Carrying a weapon into an airport is a third-degree felony, punishable by two to 10 years in jail and up to a $10,000 fine.

• The Philadelphia 76ers guard Allen Iverson, last season's NBA rookie of the year, was arrested early Sunday in Virginia, after his Mercedes was stopped for speeding and a state trooper smelled marijuana and found a gun, the police said.

Iverson, who was a passenger, was arrested on charges of marijuana possession and possession of a firearm while in possession of a controlled substance. *(WP)*

Juan C. Fairenthold/The Associated Press
**Martina Hingis hitting a backhand return to Monica Seles.**

## Hingis Beats Seles Again

**TENNIS** Martina Hingis won her ninth title in 10 tournaments this year, beating Monica Seles, 7-6 (7-4), 6-4, in the final of the Toshiba Classic in Carlsbad, California, on Sunday. Hingis has won all five of her matches against Seles.

• Chris Woodruff won his first ATP Tour title, using his aggressive play and strong serve to beat No. 6 seed Gustavo Kuerten, the French Open champion 7-5, 6-4, 6-3. *(AP)*

## Mickelson Wins on Points

**GOLF** Phil Mickelson broke his own tournament points record as he cruised to victory in the Sprint International on Sunday. He had five birdies and a bogey, finishing with 48 points under the modified Stableford scoring system used in the event, to beat Stuart Appleby by seven points. Skip Kendall was third with 38 points.

The victory lifted Mickelson to fifth in the U.S. Ryder Cup table and locked up a berth on the team.

• Colleen Walker shot a final round of 8-under-par 65 to win the LPGA du Maurier Classic, the final women's major of the year, in Oakville, Ontario, on Sunday. Walker, 40, beat Liselotte Neumann of Sweden by two strokes. *(AP)*

## Sri Lanka Fights Back

**CRICKET** Sanath Jayasuriya and Roshan Mahanama shared unbroken second wicket stand of 283 Monday to take Sri Lanka to 322 runs for one wicket at the close of the third day of the first Test against India.

Jayasuriya made 175 not out and Mahanama reached 115 as Sri Lanka replied to India's first innings of 537 for eight declared. *(Reuters)*

# Wild-Card Johnson Trumps His 400-Meter Rivals

By Ian Thomsen
*International Herald Tribune*

ATHENS — Reports of Michael Johnson had been exaggerated. All reports. Those put out before the world championships predicted he might break the world record of 43.29 seconds in the 400 meters, which doesn't seem likely at the moment. They were followed by suggestions that he might not even qualify for the 400-meter final.

He soothed those fears by starting his semifinal heat hard Monday night and decelerating to win with ease in 44.37 seconds.

Johnson, who was a wild-card entry into these championships, will be one of four Americans in the final Tuesday, joined by three Britons and a Ugandan.

**WORLD ATHLETICS**

Johnson might seem vulnerable — comparatively — after suffering a leg injury early this summer, followed by the demise of his 400-meters winning streak at eight years and 58 races, and then in his second-round heat Sunday slowing down prematurely and almost failing to advance.

"I was disappointed in myself for doing it," Johnson said of that mistake. "I actually felt good yesterday. I'm ready to go out and try to do the best I can and try to win the race."

His fellow Texan, the former world champion and defending Olympic champion Charles Austin, will miss the high-jump final after failing to clear the qualifying height of 2.28 meters.

Medals were decided in four events Monday. The favored Cathy Freeman of Australia became the first aboriginal gold medalist when she overcame a lousy assignment in lane 1 to win the 400 meters in 49.77 seconds, just two one-hundredths ahead of the surging Sandie Richards of Jamaica, with the American Jearl Miles-Clark third in 49.90 seconds.

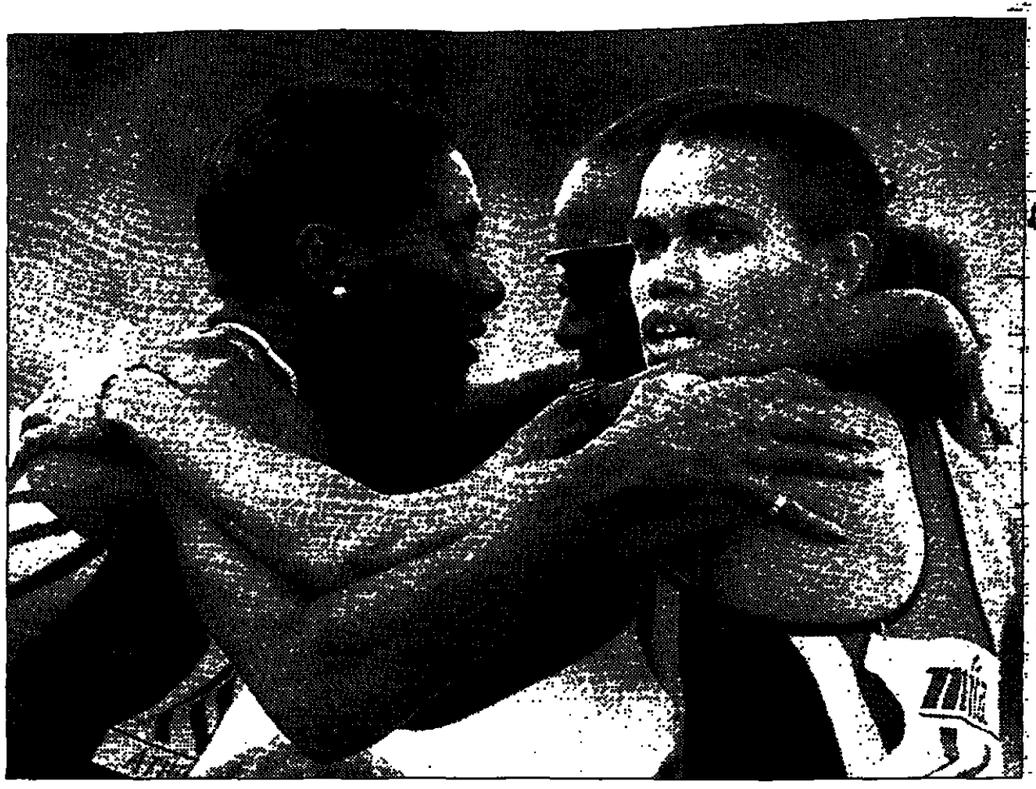
Freeman, 24, responded with a remarkable lack of glee, as if she thought another round was still ahead for her. She has been a figure of some controversy at home since running a victory lap with an aboriginal flag at the 1994 Commonwealth Games in Canada. This time she walked, carrying flags from both her constituencies — aboriginal and Australian.

Last year, less than three months before the Olympics, Stephane Diagana of France suffered a stress fracture of his right foot and didn't compete in Atlanta. He recovered some of his lost satisfaction by persevering over the final grueling steps of the 400-meter hurdles to win in 47.70 seconds, the world's fastest time this year. A late charge over the final hurdle earned Llewellyn Herbert of South Africa the silver medal in 47.86 seconds, two one-hundredths faster than the American bronze-medalist Bryan Bronson, who had run the four fastest times this year.

Sabine Braun of Germany won the heptathlon with 6,739 points, more than 200 behind her personal best. More emotionally received was the women's triple jump when Olga Vasdeki of Greece moved briefly into third place with a penultimate jump of 14.62 meters, a national record. She finished fourth behind the Czech gold medalist Sarka Kasparkova (a world-best this year of 15.20 meters), Rodica Mateescu of Romania (15.16) and Yelena Govorova of Ukraine (14.67).

The Greeks could only imagine how much further Vasdeki might have skipped if launched by the cheers of a full house. These championships now seem assured of being played out in a half-empty stadium.

"I'm really sorry that the stadium is not full," said Lambros Papakostas of Greece after he had qualified for the high jump final. "Athens is bidding for the Olympics, and the people of Athens look down on such a great organization. I would like to thank with all my heart those who came to root for me."



Anja Niedringhaus/Agence France-Presse
**Cathy Freeman, right, with Sandie Richards, left, and Jearl Miles-Clark after winning the 400 meters.**

# *U.S. Track Needs Help, and Europe Is Willing*

By Ian Thomsen
*International Herald Tribune*

ATHENS — In one hotel, Maurice Greene and Marion Jones were celebrating the greatest American sprinting triumph in 29 years. In another, the godfather of their sport was explaining with great comical accuracy the crisis of American track and field.

"We have made a development program for athletes in Africa, Eastern Europe, South America, Asia, all of the ex-countries of the Soviet Union — and now it will be a little surprise because we are going to make a program in the U.S.," said Primo Nebiolo, the 74-year-old Italian who oversees the IAAF, the ruling federation of international track and field.

"It is the most powerful country in the world, so it could seem ridiculous to go to the U.S. and help them."

The Americans could use every hand Nebiolo is willing to extend, even though American athletes have been dominant since the Cold War's final years.

Track and field was dying commercially in the United States even as Carl Lewis was beginning in 1984 to claim his title as the sport's greatest performer ever. The more that Jackie Joyner-Kersee, Dan O'Brien and Michael Johnson celebrated, the less Americans seemed to care.

These days, track and field is hard to find on American television. It is covered irregularly by the American press. Craig Masback, the new chief executive of USA Track & Field, the American federation for the sport, admits that many Americans aren't aware that it is contested in non-Olympic years.

When Greene, 23, and Jones, 21, won their world championships Sunday night, it was the first time since 1968 that an American man and woman were first across the 100-meter finish line in a major, nonboycotted championship. They represent the newest stubborn generation of American champions who understand, for the time being, that they will have to earn their money from meets and sponsors in Europe and Asia. They aren't likely to find any huge bonuses or victory parades waiting for them next week when they return home.

Much of the blame is shoveled upon Ollan Cassell, the preceding director of the American federation, who oversaw the wealth of U.S. gold medals and the sport's paradoxical decline by all other measurements.

"I was for 20 years president of the Italian federation," Nebiolo complained dryly, "and athletics became the second sport in Italy. Now, in the U.S., track and field is the 25th sport, after billiards.

"I was always believing he could face athletics in a different manner," Nebiolo continued, referring to Cassell. "If I had the talents he had in the U.S., and I was there for 20 years? What I could do. I am always dreaming to be young and come back and to be appointed as director of U.S. track and field."

The larger problem, apart from Cassell's managerial ambivalence, was as vast as the differences between America and Europe.

The European sports are run by federations, which were originally amateur organizations staffed by volunteers, and which to this day are maintained by political leaders whose currency is power. Nebiolo is their caricature: He maintains his position and makes his sport grow with a complicated arrangement of handshakes, threats, promises and favors.

Nebiolo deserves applause for modernizing his sport, making the athletes professional, creating these world championships in 1983 and introducing the ever-radical concept of prize money this year.

But could you imagine someone like him trying to lead the National Hockey League or National Basketball Association? Nebiolo wouldn't want the job held by Paul Tagliabue, whose success as the National Football League's commissioner is tied primarily to television ratings and commercial income. Just as the lawyer Tagliabue would never want a job that depended on his ability to make a political ally of the track and field delegate for Ruritania.

The challenge for Masback, who took over USA Track & Field three weeks ago, will be to turn an old-world federation into something resembling an American bottom-line entity. He has every qualification to do just that. He was the 1980 U.S. indoor champion in the mile. In 1979, he ran an outdoor mile of 3 minutes, 52.02 seconds, then the sixth-fastest time ever. He ran professionally in Europe and worked for the International Olympic Committee at its fledgling museum. He made a short career in sports marketing, announced, track and field on television and, most important, he became a lawyer.

He has plans to seek out press coverage for American athletes beginning in their hometown newspapers, plans to arrange a more coherent year-round calendar of indoor and outdoor meets and road races.

On Monday, he talked about doing more to serve the 1.1 million American high-schoolers who run cross-country or track and field. He spoke of a commitment to entice new sponsors to the sport. He pointed out how much global track and field had grown in the past two decades without the richest country in the world.

He admitted that he and Nebiolo had not yet made any firm plans to cooperate. And although he carries himself like Nebiolo's polar opposite in almost every way, the point at this early stage seemed to be that the two worlds were meeting in a common language. At last, someone was promising to sell the world's oldest sport to the country that desperately needs the most selling.

"We need the U.S.," Nebiolo agreed. "Without the U.S., athletics is not athletics. So we will do our best."

Lionel Cironneau/Agence France-Presse
**Steve Smith of Britain clearing the bar in the high jump qualifying round.**

# SCOREBOARD

## BASEBALL

### MAJOR LEAGUE STANDINGS

**AMERICAN LEAGUE**

**EAST DIVISION**

| | W | L | Pct. | GB |
|---|---|---|---|---|
| Baltimore | 69 | 39 | .639 | — |
| New York | 63 | 45 | .583 | 6 |
| Detroit | 61 | 57 | .472 | 18 |
| Toronto | 51 | 57 | .472 | 18 |
| Boston | 52 | 59 | .468 | 18½ |
| **CENTRAL DIVISION** | | | | |
| Cleveland | 56 | 49 | .533 | — |
| Milwaukee | 54 | 54 | .500 | 3½ |
| Chicago | 53 | 56 | .486 | 5 |
| Minnesota | 49 | 60 | .450 | 9 |
| Kansas City | 46 | 61 | .434 | 11 |
| **WEST DIVISION** | | | | |
| Anaheim | 63 | 48 | .568 | — |
| Seattle | 62 | 48 | .564 | ½ |
| Texas | 51 | 58 | .468 | 11 |
| Oakland | 43 | 70 | .381 | 21 |

**NATIONAL LEAGUE**

**EAST DIVISION**

| | W | L | Pct. | GB |
|---|---|---|---|---|
| Atlanta | 70 | 42 | .625 | — |
| Florida | 63 | 46 | .578 | 5½ |
| New York | 61 | 48 | .560 | 7½ |
| Montreal | 57 | 52 | .523 | 11½ |
| Philadelphia | 35 | 73 | .324 | 33 |
| **CENTRAL DIVISION** | | | | |
| Houston | 61 | 50 | .550 | — |
| Pittsburgh | 55 | 56 | .495 | 6 |
| St. Louis | 52 | 58 | .473 | 8½ |
| Cincinnati | 46 | 62 | .426 | 13½ |
| Chicago | 45 | 67 | .402 | 16½ |
| **WEST DIVISION** | | | | |
| San Francisco | 61 | 50 | .550 | — |
| Los Angeles | 60 | 51 | .541 | 1 |
| San Diego | 53 | 58 | .477 | 8 |
| Colorado | 52 | 60 | .464 | 9½ |

**SUNDAY'S LINESCORES**

**AMERICAN LEAGUE**

Toronto 001 010 000—2 9 0
Detroit 021 001 10x—5 9 1
W.Williams, Dacil (7), Quantrill (7) and B. Santiago. O'Brien (7); Blair, Sager (7), Te.Jones (9) and Wadbeck. W—Blair, 11-4. L—W. Williams, 6-10. Sv—Te.Jones (21). HRs—Detroit, Fryman (16), Hamelin (12), Nieves (16).

Boston 010 100 000—2 7 0
Kansas City 001 100 30x—5 6 1
Wakefield and Hatteberg; Bones, Olson (8), J. Montgomery (9) and Macfarlane. W—Bones, 2-3. L—Wakefield, 5-13. Sv—J. Montgomery (6). HRs—Boston, Jefferson 2 (11), Kansas City, J. Bell (18), Macfarlane 2 (7), Y. Benitez (4).

Minnesota 010 011 101—5 7 1
New York 000 330 00x—6 9 1
Hawkins, Fr.Rodriguez (5), Guardado (7), Trombley (8) and G.Myers; Gooden, Mendoza (6), Nelson (8), M. Rivera (9) and Posada. W—Gooden, 5-3. L—Hawkins, 3-7. Sv—M. Rivera (32). HRs—Minnesota, G.Myers (4). New York, Be.Williams 2 (13).

Seattle 001 140 000—6 11 0
Milwaukee 010 209 02x—5 7 0
Ra.Johnson, Timlin (7), Slocumb (9) and Marzano; J.Mercedes, A.Reyes (5), Villone (7), De.Jones (8) and Matheny, Levis (8). W—Ra.Johnson, 15-3. L—A. Reyes, 0-1. Sv—Slocumb (18). HR—Mil., Burnitz (19).

Baltimore 020 030 300—7 11 0
Oakland 300 100 010—5 8 0
Krivda, Boskie (5), Rhodes (7), A. Benitez (8), Ra.Myers (9) and Hoiles; Wengert, Mahler (5), T.J.Mathews (7), A. Small (8), Groom (8), Taylor (9) and Molina. W—Boskie, 6-4. L—T.J.Mathews, 1-1. Sv—Ra.Myers (31). HRs—Baltimore, C. Ripken (13), Baines (13). Oakland, Brosius (10).

Chicago 000 000 100—1 5 2
Anaheim 000 011 11x—4 7 0
Baldwin, TCastillo (8) and Karkovice; C.Finley, Percival (9) and Td.Greene. W—C. Finley, 11-6. L—Baldwin, 7-12. Sv—Percival (16). HRs—Chicago, Karkovice (4). Anaheim, Hollins (12), Salmon (20).

Cleveland 111 120 001—7 15 1
Texas 101 021 003—8 13 0
Colon, Mesa (6), Assenmacher (8), M. Jackson (8) and S. Alomar; Sturtze, Moody (5), Gunderson (7), Patterson (8), Wetteland (9) and I.Rodriguez. W—Wetteland, 6-2. L—M. Jackson, 2-3. HRs—Cleveland, Giles 2 (13), S. Alomar (15). Texas, Ju.Gonzalez (24). Gil (4).

**NATIONAL LEAGUE**

St. Louis 000 010 200—3 7 1
Philadelphia 005 220 00x—10 12 0
Osborne, Frascatore (4), Beltran (6) and Lampkin. M.Lefter and Lieberthal. W—M. Lefter, 7-11. L—Osborne, 1-4. HRs—Philadelphia, Selcik (2), Rolen (14).

San Diego 020 000 001—3 3 0
Montreal 000 040 00x—4 12 2
Ashby, Bruske (5), Dn.Jackson (7), Ti.Worrell (7) and Ramera; P.J.Martinez and Fletcher. W—P.J.Martinez, 13-5. L—Ashby, 6-8. HRs—San Diego, Caminiti (12). Montreal, Fletcher (12), Strange (7).

Colorado 000 002 100—4 9 0
Pittsburgh 110 010 05x—8 14 0
Jm.Wright, S. Reed (8), Leskanic (8) and Manwaring; Lieber, P.Wagner (7), Ruebel (7), Loiselle (9) and Osik. W—Ruebel, 3-2. L—S. Reed, 3-5. HRs—Colorado, N. Perez (4), Helton (2). Pittsburgh, Womack (5).

San Francisco 000 000 120 5—8 11 1
Cincinnati 000 012 000 0—3 8 2
(10 innings); Estes, Tavarez (6), Poole (7), R. Hernandez (8), Beck (10) and Berryhill. B. Johnson (7); Morgan, Remlinger (7), Belinda (8), Shaw (10), Fe.Rodriguez (10) and J. Oliver, Taubensee (10). W—R. Hernandez, 1-0. L—Shaw, 3-1. HRs—San Francisco, Vizcaino (3). Cincinnati, R. Sanders (12).

New York 200 000 000—2 6 1
Houston 000 000 201—3 7 1
Bohanon, Acevedo (6), McMichael (8) and Hundley; Reynolds, Magnante (6), T. Martin (8) and Ausmus. W—T. Martin, 4-2. L—McMichael, 7-9. HRs—New York, Hundley (23). Houston, Biggio (16).

Atlanta 001 120 000—4 7 0
Florida 341 010 00x—9 10 1
Millwood, Byrd (4), Embree (6), Bielecki (8) and J. Lopez; A.Fernandez, Nen (9) and Zaun. W—A. Fernandez, 13-8. L—Millwood, 2-3. HR—Atlanta, Ch.Jones (18).

Los Angeles 010 000 100 001—3 9 0
Chicago 000 001 010 002—4 11 0
LValdes, Radinsky (7), Dreifort (8), Hall (9), Osuna (10). Te.Worrell (2) and Piazza; Trachsel, Patterson (8), Wendell (8), Rojas (10), R. Tefis (12) and Servais. Houston (8). W—R. Tefis, 1-1. L—Te.Worrell, 1-3. HRs—Los Angeles, Mondesi 2 (25), Gagne (7). Chicago, Sosa (23).

**AMERICAN LEAGUE LEADERS**

| | G | AB | R | H | Avg. |
|---|---|---|---|---|---|
| FThomas ChW | 96 | 355 | 75 | 126 | .355 |
| SAlomar Cle | 83 | 307 | 46 | 107 | .349 |
| WClark Tex | 94 | 355 | 50 | 120 | .338 |
| Ramirez Cle | 97 | 357 | 57 | 119 | .333 |
| ONeil NYY | 102 | 378 | 69 | 125 | .331 |
| Cora Sea | 103 | 404 | 79 | 133 | .329 |
| MVaughn Bos | 90 | 332 | 64 | 109 | .328 |
| EMartinez Sea | 110 | 393 | 78 | 129 | .328 |
| IRodriguez Tex | 104 | 414 | 64 | 135 | .326 |
| Greer Tex | 106 | 405 | 71 | 130 | .321 |

**RUNS**—Knoblauch, Minnesota, 86; Garciaparra, Boston, 80; Jeter, New York, 80; Griffey Jr, Seattle, 80; Cora, Seattle, 79; E. Martinez, Seattle, 78; ARodriguez, Seattle, 76.

**RBI**—Griffey Jr, Seattle, 102; T. Martinez, New York, 100; F. Thomas, Chicago, 92; Salmon, Anaheim, 90; JuGonzalez, Texas, 84; TaClark, Detroit, 83; O. Nieli, New York, 82.

**HITS**—Garciaparra, Boston, 141; I. Rodriguez, Texas, 135; Cora, Seattle, 133; G. Anderson, Anaheim, 132; Jeter, N.Y., 130; Greer, Texas, 130; E. Martinez, Seattle, 129.

**DOUBLES**—O'Neil, N.Y., 34; JnValentin, Boston, 32; Cora, Seattle, 32; A. Rodriguez, Seattle, 30; Cirillo, Milwaukee, 30; Ramirez, Cleveland, 30; RDavis, Seattle, 29; I. Rodriguez, Tex., 29; S. Alomar, Cleveland, 29.

**TRIPLES**—Garciaparra, Boston, 9; Jeter, New York, 7; Knoblauch, Minnesota, 7; Damon, Kansas City, 6; Burnitz, Milwaukee, 6; Vizquel, Cleveland, 6; Alicea, Anaheim, 6; ByAnderson, Baltimore, 6.

**HOME RUNS**—T. Martinez, New York, 34; McGwire, Oakland, 34; Griffey Jr, Seattle, 33; Thome, Cleveland, 29; TaClark, Detroit, 26; Buhner, Seattle, 26; AVaughn, Boston, 25; F. Thomas, Chicago, 25; Ma. Williams, Cleveland, 25.

**STOLEN BASES**—B. LHunter, Detroit, 53; Nixon, Toronto, 45; Knoblauch, Minnesota, 43; TGoodwin, Texas, 37; Vizquel, Cleveland, 30; Durham, Chicago, 25; ARodriguez, Seattle, 22.

**PITCHING** (13 Decisions)—Ra.Johnson, Seattle, 15-3, .833, 2.48; Clemens, Toronto, 16-4, .800, 1.78; Radke, Minnesota, 15-5, .750, 3.48; Mussina, Baltimore, 12-4, .750, 3.19; Blair, Detroit, 11-4, .733, 4.11; Mayer, Seattle, 11-4, .733, 4.34; Erickson, Baltimore, 13-5, .722, 3.50.

**STRIKEOUTS**—Ra.Johnson, Seattle, 224; Cone, New York, 199; Clemens, Toronto, 192; Mussina, Baltimore, 147; CFinley, Anaheim, 145; Apples, Kansas City, 138; Fassero, Seattle, 137.

**SAVES**—M. Rivera, New York, 32; RaMyers, Baltimore, 31; R. Hernandez, Chicago, 27; DeJones, Milwaukee, 23; Wetteland, Texas, 22; ToJones, Detroit, 21; Aguilera, Minnesota, 20.

**NATIONAL LEAGUE LEADERS**

| | G | AB | R | H | Avg. |
|---|---|---|---|---|---|
| LWalker Col | 108 | 400 | 103 | 157 | .392 |
| Gwynn SD | 106 | 424 | 68 | 165 | .389 |
| Piazza LA | 103 | 368 | 63 | 130 | .353 |
| Lofton Atl | 74 | 312 | 56 | 107 | .343 |
| Joyner SD | 90 | 312 | 44 | 106 | .340 |
| McGriff ChC | 102 | 369 | 54 | 123 | .333 |
| Alfonzo NYM | 98 | 331 | 49 | 107 | .323 |
| Lankford StL | 87 | 316 | 63 | 101 | .320 |
| Biggio Hou | 111 | 436 | 100 | 139 | .319 |
| Galarraga Col | 107 | 419 | 82 | 133 | .317 |

**RUNS**—L. Walker, Colorado, 103; Biggio, Houston, 100; Bonds, San Francisco, 83; Galarraga, Colorado, 82; Bagwell, Houston, 78; E. cYoung, Colorado, 73; Mondesi, Los Angeles, 71.

**RBI**—Galarraga, Colorado, 102; Bagwell, Houston, 96; Gwynn, San Diego, 94; L. Walker, Colorado, 93; ChJones, Atlanta, 89; Kent, San Francisco, 85; Bichette, Colorado, 85.

**HITS**—Gwynn, San Diego, 165; L. Walker, Colorado, 157; Biggio, Houston, 139; Galarraga, Colorado, 133; ChJones, Atlanta, 131; Mondesi, Los Angeles, 131; Piazza, Los Angeles, 130.

**DOUBLES**—Grudzielanek, Montreal, 39; Lansing, Montreal, 34; Morandini, Philadelphia, 34; L. Walker, Colorado, 34; Gwynn, San Diego, 33; Snow, San Francisco, 30; Bonilla, Florida, 30.

**TRIPLES**—DeShields, St. Louis, 10; W. Guerrero, Los Angeles, 9; Womack, Pittsburgh, 9; Rands, Pittsburgh, 8; DSanders, Cincinnati, 7; Doulton, Florida, 7; Tucker, Atlanta, 6; EcYoung, Colorado, 6.

**HOME RUNS**—L. Walker, Colorado, 33; Bagwell, Houston, 29; Castilla, Colorado, 28; Bonds, San Francisco, 28; Galarraga, Colorado, 28; Mondesi, Los Angeles, 25; Karros, Los Angeles, 24.

**STOLEN BASES**—D. Sanders, Cincinnati, 50; Womack, Pittsburgh, 41; D. eShields, St. Louis, 37; EcYoung, Colorado, 30; L. Walker, Colorado, 25; McCracken, Colorado, 24; D. Veras, S.Diego, 24; Henderson, S.Diego, 24.

**PITCHING** (12 Decisions)—Neagle, Atlanta, 15-2, .882, 3.02; Kile, Houston, 15-3, .833, 2.05; GMaddux, Atlanta, 15-3, .833, 2.28; Estes, San Francisco, 14-4, .778, 3.09; P. JMartinez, Montreal, 13-5, .722, 1.76; R. Reed, New York, 9-4, .692, 2.76; Judon, Montreal, 11-5, .687, 4.22; Gardner, San Francisco, 11-5, .687, 3.72.

**STRIKEOUTS**—Schilling, Philadelphia, 212; P. JMartinez, Montreal, 199; Nomo, Los Angeles, 163; ABenes, St. Louis, 160; KJBrown, Florida, 151; Smoltz, Atlanta, 145; Kile, Houston, 143.

**SAVES**—Beck, San Francisco, 33; JaFranco, New York, 28; Nen, Florida, 27; ToWorrell, Los Angeles, 27; Eckersley, St. Louis, 27; Wohlers, Atlanta, 26; Hoffman, San Diego, 25.

## TENNIS

**DU MAURIER OPEN**
**IN MONTREAL**
**FINAL**

Chris Woodruff, U.S., def. Gustavo Kuerten (6), Brazil, 7-5, 4-6, 6-3.

**DOUBLES**
**FINAL**

Mahesh Bhupathi and Leander Paes, India, def. Sebastien Lareau, Canada, and Alex O'Brien (3), U.S., 7-6 (7-5), 6-3.

**WOMEN**
**TOSHIBA CLASSIC**
**IN CARLSBAD, CALIFORNIA**
**FINAL**

Martina Hingis (1), Switzerland, def. Monica Seles (2), U.S., 7-6 (7-4), 6-4.

**DOUBLES**
**FINAL**

Martina Hingis, Switzerland, and Arantxa Sanchez Vicario (2), Spain, def. Amy Frazier and Kimberly Po, Rolling Hills, U.S., 6-2, 7-5.

## CRICKET

**SRI LANKA VS. INDIA**
**FIRST TEST MATCH**
**MONDAY, IN COLOMBO**

India: 537-8 declared
Sri Lanka: 322-1

**SOMERSET VS. AUSTRALIA**
**FOUR DAY MATCH**
**MONDAY, IN TAUNTON, ENGLAND**

Somerset 284 and 147-3
Australia: 323
Rain interrupted match declared a draw.

## TRACK & FIELD

### WORLD CHAMPIONSHIPS

**MEN**
**400 METER HURDLES**
**FINAL**

1, Stephane Diagana, France, 47.70; 2, Llewellyn Herbert, South Africa, 47.86; 3, Bryan Bronson, U.S., 47.88; 4, Fabrizio Mori, Italy, 48.05; 5, Samuel Matete, Zambia, 48.11; 6, Ruslan Mashchenko, Russia, 48.62; 7, Dinsdale Morgan, Jamaica, 49.06; 8, Jiri Muzik, Czech Republic.

**1,500 METER**
**SEMIFINALS**

**HEAT 1**—1, Hicham El Guerrouj, Morocco, 3:38.92; 2, Mohamed Suleiman, Qatar, 3:39.15; 3, Ali Hakimi, Tunisia, 3:39.50; 4, Rudiger Stenzel, Germany, 3:39.62; 5, John Moyock, Britain, 3:39.69; 6, Kevin Sullivan, Canada, 3:39.84; 7, Steve Holman, U.S., 3:39.97; 8, Branko Zorko, Croatia, 3:41.63; 9, Said Chebili, France, 3:41.95; 10, Antonio Travassos, Portugal, 3:42.01; 11, Niall Bruton, Ireland, 3:47.51; Isaac Viciosa, Spain, did not finish.

**HEAT 2**—1, Noureddine Morceli, Algeria, 3:38.82; 2, Reyes Estevez, Spain, 3:38.86; 3, Fermin Cacha, Spain, 3:38.86; 4, Robert Andersen, Denmark, 3:38.92; 5, Laban Rotich, Kenya, 3:38.92; 6, Nadir Bosch, France, 3:39.01; 7, Graham Hood, Canada, 3:39.13; 8, Gennaro Di Napoli, Italy, 3:39.45; 9, Driss Maazouzi, Morocco, 3:39.99, 10, Azedine Sedika, Morocco, 3:40.15; 11, Kevin McKay, Britain, 3:40.21; 12, Andrei Zadorozhnyi, Russia, 3:42.61

First 5 in heats and 2 fastest losers qualify for final.

**400 METER**
**SEMIFINALS**

**HEAT 1**—1, Tyree Washington, U.S., 44.61; 2, Mark Richardson, Britain, 44.62; 3, Jamie Baulch, Britain, 44.69; 4, Antonio Pettigrew, U.S., 44.87; 5, Davian Clarke, Jamaica, 45.07; 6, Ibrahima Wade, Senegal, 45.47; 7, Sunday Bada, Nigeria, 45.96; Robert Mackowiak, Poland, did not start.

**HEAT 2**—1, Michael Johnson, U.S., 44.37; 2, Jerome Young, U.S., 44.50; 3, Davis Kamoga, Uganda, 44.57; 4, Iwan Thomas, Britain, 44.61; 5, Clement Chukwu, Nigeria, 45.26; 6, Robert Martin, Jamaica, 45.49; 7, Tomasz Czubak, Poland, 45.51; 8, Michael McDonald, Jamaica, 45.74.

First 4 in each heat qualify for final.

**3,000 METER**
**SEMIFINALS**

**HEAT 1**—1, Saad Al Asmari, Saudi Arabia, 8 minutes 20.18 seconds; 2, Mark Ostendarp, Germany, 8:20.40; 3, Moses Kiptanui, Kenya, 8:20.76; 4, Hicham Bouaouiche, Morocco, 8:20.88; 5, El Arbi Khattabi, Morocco, 8:20.94; 6, Jim Svenoey, Norway, 8:21.16; 7, Vladimir Pronin, Russia, 8:29.39; 8, Ramiro Moran, Spain, 8:31.73; 9, Rafal Wojcik, Poland, 8:33.28; 10, Simon Vroemen, Netherlands, 8:48.66; Tom Nohilly, U.S., did not finish; Alessandro Lambruschini, Italy, did not finish.

First 5 in heats plus 2 fastest losers qualify for final.

**HIGH JUMP**
**QUALIFIERS**

**GROUP A**—1 equal, Gilmar Maya, Colombia, 7.78; Lee Jin-taek, South Korea, 7.78; 3, Lambros Papakostas, Greece, 7.78; 4, Martin Buss, Germany, 7.78; 5, Charles Austin, U.S., 7.76.

**GROUP B**—1 equal, Steinar Hoen, Norway, Javier Sotomayor, Cuba, Artur Partyka, Poland, 7.78; 4, Timothy Forsyth, Australia, 7.78; 5, Konstantin Matusevich, Israel, 7.78; 6, Dalton Grant, Britain, 7.78; 7, Jan Janka, Czech Republic, 7.76, 8, Sergei Klugin, Russia, 7.76, 9, Stephen Smith, Britain, 7.76.

**WOMEN**
**TRIPLE JUMP**
**FINAL**

1, Sarka Kasparkova, Czech Republic, 15.20 metres; 2, Rodica Mateescu, Romania, 15.16; 3, Yelena Govorova, Ukraine, 14.67; 4, Olga Vasdeki, Greece, 14.62; 5, Ashia Hansen, Britain, 14.49; 6, Tereza Marinova, Bulgaria, 14.34; 7, Yelena Biarevica, Latvia, 14.06, 8, Betty Lise, France, 14.03; 9, Gundega Sprage, Latvia, 13.98; 10, Petra Lohinger, Germany, 13.86; 11, Cynthea Rhodes, U.S., 13.79; 12, Zhanna Gureyeva, Belarus, 13.59.

**400 METER**
**FINAL**

1, Cathy Freeman, Australia, 49.77; 2, Sandie Richards, Jamaica, 49.79; 3, Jearl Miles-Clark, U.S., 49.90; 4, Grit Breuer, Germany, 50.06; 5, Falilat Ogunkoya, Nigeria, 50.27; 6, Helena Fuchsova, Czech Republic, 50.66; 7, Pauline Davis, Bahamas, 50.68, 8, Tatyana Alekseyeva, Russia, 51.37.

**1,500 METER**
**SEMIFINAL**

**HEAT 1**—1, Peggy Beer, 2:10.00 965, 2, Marie Collonville, 2:11.00 950; 3, Tatyana Gordeyeva, 2:12.01 935; 4, Kelly Blair, 2:13.66 912; 5, Tia Hautala, 2:13.98 907, 6, Joanne Henry, 2:14.46 900, 7, Natholie Teppe, 2:14.91 894, 8, Irina Lopes, 2:23.62 775, Svetlana Moskalets, did not start

**HEAT 2**—1, Ursula Wlodarczyk, 2:09.59 971, 2, Remigia Nazarovlene, 2:10.51 957; 3, Mona Steigauf, 2:12.82 924; 4, Sabine Braun, 2:17.32 860, 5, Dedee Nathan, 2:17.54 857; 6, Denise Lewis, 2:17.54 857; 7, Irina Vostrikova, 2:18.95 838, 8, Natalya Sazanovich, 2:19.67 828.

**FINAL STANDINGS**: 1, Braun, 6,739 points; 2, Lewis, 6,654; 3, Nazarovlene, 6,566; 4, Wlodarczyk, 6,542; 5, Sazanovich, 6,478, 6, Steigauf, 6,404, 7, Nathan, 6,298; 8, Vostrikova, 6,277; 9, Beer, 6,259; 10, Blair, 6,253, 11, Teppe, 6,247, 12, Collonville, 6,179; 13, Gordeyeva, 6,084, 14, Hautala, 6,026, 15, Henry, 6,011; 16, Lopes 5,631.

## SOCCER

**MAJOR LEAGUE SOCCER**

San Jose 5, New England 1
Tampa Bay 2, New York-New Jersey 2

**STANDINGS**: Eastern Conference: D.C. 39, Tampa Bay 33, New England 28; Columbus 23, NY-NJ 19, Western Conference: Kansas City 35; Dallas 30; Colorado 29; Los Angeles 25; San Jose 20

## TRANSITIONS

**BASEBALL**
**AMERICAN LEAGUE**

MILWAUKEE—Activated RHP Doug Jones from 15-day disabled list. Released RHP Greg Hansell.

## SPORTS

# Marlins Show Braves They're Not Dead Yet

*The Associated Press*

The Atlanta Braves and Florida Marlins had barely finished tangling with each other — not to mention the umpires — when they began looking ahead to next weekend at Turner Field in Atlanta.

In the wrap-up of a contentious four-game series at Miami, Florida beat the Braves on Sunday, 8-4, cutting the Braves' lead in the National League East to 5½ games. Devon White had four hits and drove in three runs, giving the Marlins their third victory in four days.

"Everyone makes it seem like we are nothing compared to Atlanta," White said. "But that arouses our pride. We feel we can play with them. This is a big series and makes the rest of the year important."

The Marlins can really close in when they open a four-game set Friday night at Atlanta. The Braves, just 2-6 against Florida, say they will be ready.

"It will leave the last impression," said Chipper Jones, who homered and tripled for Atlanta. "That is why you don't see anybody in here panicking, crying or down in the dumps — 5½ games back is still a tall task against a team like us."

Alex Fernandez (13-8) struck out 10, matching a season best, in eight innings for the Marlins. The Braves rookie Kevin Millwood trailed 7-1 after three innings.

The Braves and Marlins took turns contesting umpires' calls throughout the series.

Bobby Cox, the Braves' manager, was ejected for arguing a check-swing a day after Jim Leyland, the Marlins' manager, was tossed. The Florida outfielder Moises Alou was ejected Friday night.

**NL Roundup**

**Cubs 4, Dodgers 3** Sammy Sosa hit a two-out, two-run homer in the bottom of the 12th as Chicago rallied to win in Los Angeles.

Sosa hit the first pitch from Todd Worrell, the Dodger reliever, high over the fence in left field for his 23d home run. Worrell retired the first two batters in the 12th but then walked Mark Grace before Sosa whacked his game-winning homer.

The Dodgers had taken a 3-2 lead in the top of the inning when Greg Gagne hit his seventh home run, off the Cubs' reliever Mel Rojas.

**Astros 3, Mets 2** Greg McMichael, a reliever, hit Luis Gonzalez with an 0-2 pitch with the bases loaded and two outs in the bottom of the ninth inning, forcing home the winning run at the Astrodome.

Craig Biggio, who homered and had three hits, singled with two outs in the ninth and stole second. McMichael walked the pinch-hitter Thomas Howard and Jeff Bagwell, then hit Gonzalez in the leg.

Sean Berry lost a home run when his long drive hit an Astrodome speaker and dropped back into play for a double. The hit came against the Mets' starter, Brian Bohanon, who also got a surprise during the weekend: a Houston native, he found out that his 10-year high school reunion took place at the Mets' hotel Saturday night.

**Giants 8, Reds 3** Jose Vizcaino tied the game in the eighth inning with his 15th home run in 2,508 career at-bats, and San Francisco scored five times in the 10th to win at Cincinnati.

*In games reported in late editions Monday:*

**Expos 6, Padres 3** Pedro Martinez pitched a three-hitter and struck out 10 as Montreal beat visiting San Diego.

Martinez (13-5) gave up just one earned run, lowering his earned run average to 1.76, the best in the major leagues. Martinez, a career .103 batter, also contributed two hits.

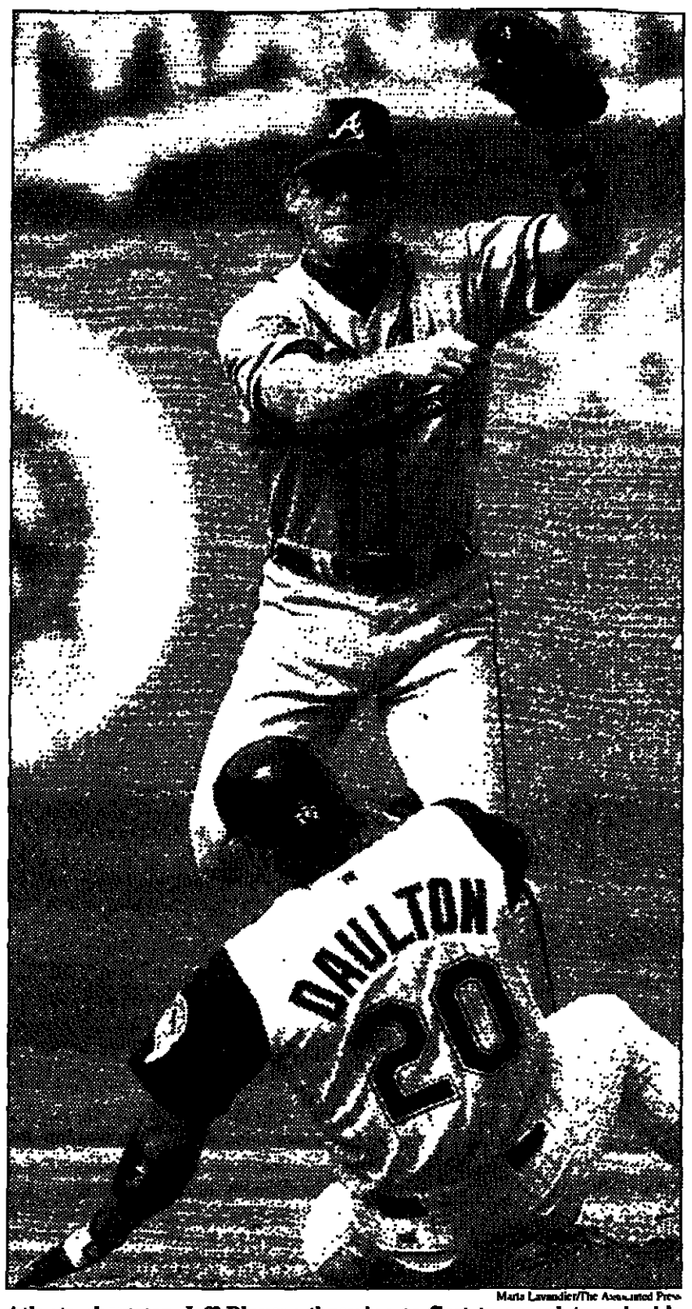
**Pirates 8, Rockies 4** Tony Womack went 4-for-4, hitting a two-run homer that capped Pittsburgh's five-run rally in the eighth inning over visiting Colorado.

Larry Walker was 3-for-4. He leads the majors in hitting at .393.

Todd Helton, who homered in his major-league debut Saturday, connected again for Colorado.

**Phillies 10, Cardinals 1** Mark Leiter pitched his first complete game since last Aug. 12 and also hit a two-run single as Philadelphia beat visiting St. Louis.

Mark McGwire was 0-for-3, leaving him at 1-for-9 since St. Louis got him Thursday in a trade with Oakland.



Marta Lavandier/The Associated Press

**Atlanta shortstop Jeff Blauser throwing to first to complete a double play in the first inning as Florida's Darren Daulton slid into second base.**

# *Time Stands Still At the Hall of Fame*

## Fox, Lasorda, Wells and Niekro Join

By Claire Smith
*New York Times Service*

COOPERSTOWN, New York — The Hall of Fame second baseman Joe Morgan smiled Sunday. His mentor, Nellie Fox, the man who put the chicken flap in his patented power swing, finally joined him in Cooperstown.

Sandy Koufax, the great Dodgers pitcher, smiled, too. His move into the major leagues had permanently ended Tommy Lasorda's dream to pitch in the majors, too. That crossroads, when Koufax made the cut but Lasorda did not, started Lasorda on a different course, but one that also ultimately led to where Koufax is now enshrined: baseball's Hall of Fame.

This time continuum that envelops baseball and keeps it whole was never more apparent than Sunday, when Fox and Lasorda, along with the knuckleballer Phil Niekro and Willie Wells, the Negro leagues' All-Star second baseman and manager, were inducted into baseball's shrine.

Thirty-four of the 56 living members were on hand to welcome the four and watch the ranks of one of the world's most exclusive clubs swell to 232.

Niekro was 58 years young as he invited the audience to revisit his childhood and its links to his contributions to the game. He spoke of his mother, Ivy, who was vibrant in her wheelchair in the audience at Cooperstown's Clark Sports Center, and of his sister, Phyllis, his catcher throughout childhood.

Niekro then pointed to a sea of shiny faces, all of them belonging to the Silver Bullets professional women's baseball team, players he, as manager, now teaches fastballs and knuckleballs.

Finally, Niekro spoke of how his father, Phil, dusted off a product of his from the semiprofessional leagues in the coal-mine regions of Ohio — the knuckleball — and willed it to his son, a gift that enabled Niekro to win 318 games while pitching an extraordinary 24 major-league seasons for the Milwaukee and Atlanta Braves, the Yankees, the Indians and the Blue Jays.

Remembering those coal mines and the position he inherited briefly as a pitcher for the company team, Niekro said he could hear his late father's familiar words: "Son, play ball, son."

Niekro, of course, did, turning a $500 signing bonus and a prayer that his knuckler would be given a chance, into a career highlighted by five All-Star berths, 3,342 strikeouts and many victories.

Sunday, Niekro returned the encouragement that started him out on his long road, naming not just the great athletes he knew in the majors but also the coal-mine players he and his father teamed with.

He choked back tears as he assured the audience that those players, named Stash and Joe and Phil, were looking on. So, he said, voice choking, "Play ball, Dad, play ball."

Fox and Lasorda also had their mentors, their connections to baseball's storied past. Joanne Fox, the widow of the late second baseman of the Go-Go Sox who was a 12-time All-Star, spoke of how her husband was signed for the Philadelphia Athletics by Connie Mack, loved to talk baseball with his good friend Ted Williams, thrived in partnership with Luis Aparicio and took Morgan under his wing.

"If Nellie were here, I think he might say, 'Why all this fuss?' " Joanne Fox said, 21 years after her husband's death. But, she added, "as a beautiful bouquet of flowers can brighten, so can memories of time."

Stella Wells, the daughter of the late Willie Wells, holds her memories dearly, too.

The Hall of Famer Cool Papa Bell, she said, called when her father, one of the Negro leagues' career leaders in doubles, triples, home runs and steals, died. "He said, 'I'm going to get the committee to take me out of the Hall of Fame and put Willie in,' " she recalled. "Well, I hope you and Dad are smiling down on us because the Antelope is in."

Lasorda, too, thought of family and roots. "When you honor me here," Lasorda said, "you honor my family, you honor the organization I have represented for 48 years."

Lasorda, one of the most successful managers in Dodgers history, did not disappoint. He entertained, just as he did all those years when he balanced his role as goodwill ambassador with the coaching and managerial tasks Koufax hastened him to pursue.

The man who went on to lead the Dodgers to eight division titles, four pennants and two world championships married Tinsel Town to Dodger Stadium, making the crowd roar when he introduced, "one of the greatest actors in the history of Hollywood — Tony Danza!"

Dan Farrar/Agence France-Presse

**Phil Niekro, left, and Tom Lasorda, being inducted into the Hall of Fame.**

# *Beefed-Up Bullpen Saves Seattle, But Only Just*

*The Associated Press*

The Seattle Mariners have had a shaky bullpen most of the season. Their relievers are still shaking things up, but not getting rattled.

On Sunday, Heathcliff Slocumb, acquired Thursday in a trade with Boston, got his first save for Seattle and 18th overall this season when he held on in the ninth inning to preserve the Mariners' 6-5 victory over Milwaukee.

Slocumb worked around a one-out walk to Jesse Levis and an infield single by Mark Loretta before fanning Jose Valentin and Jeff Cirillo to end the game.

"We'll bring you to the edge, maybe irritate a manager," Slocumb said. "But as long as you come out victorious, that's fine."

Slocumb, who pitched one scoreless inning Saturday in his Seattle debut, struck out Valentin after eight fouls.

**AL Roundup**

"I was throwing the guy everything I had, fastballs in, fastballs out. I thought he might be stealing the signs or something," Slocumb said. "But we just went with what we know best — fastballs."

Lou Piniella, the Seattle manager, has been asking for relief help most of the year.

"Interesting I don't need," he said with a laugh. "But it's in the win column. He got his first save here."

Piniella needed a strong bullpen on a day when Randy Johnson (15-3) wasn't dominant.

Mike Timlin, obtained Thursday in a trade with Toronto, relieved Johnson to start the seventh. He gave up a two-run, pinch-hit homer in the eighth to Jeromy Burnitz that pulled the Brewers within one run.

Johnson allowed three runs and four hits in six innings, struck out six, walked three and threw two wild pitches.

"Even when we knock him out, he slips off the hook from us," said Phil Garner, the Milwaukee manager. "He lived on his laurels a little bit today. The first three outs, we didn't swing at strikes."

**Yankees 6, Twins 5** Bernie Williams, who returned Friday from his second stint on the disabled list, homered twice in New York and drove in four runs for the Yankees.

Williams hit a solo shot in the fourth and a three-run drive, his 13th.

**Royals 5, Red Sox 2** In Kansas City, Mike Macfarlane hit two homers, and Yamil Benitez and Jay Bell each hit one as the Royals set a team record with nine home runs in two games.

Macfarlane began the game batting just .188 with five home runs.

**Orioles 7, Athletics 5** B.J. Surhoff drove in the tying and go-ahead runs with a sacrifice fly and double, and Cal Ripken Jr. and Harold Baines homered as Baltimore won in Oakland for its eighth victory in nine games.

Oakland, blowing a three-run lead for the second straight day, lost for the eighth time in nine games.

**Angels 4, White Sox 1** In Anaheim, Chuck Finley held Chicago to five hits over eight innings and Tim Salmon and Dave Hollins hit solo homers for the Angels' seventh victory in eight games and 21st in 27.

**Rangers 8, Indians 7** In Arlington, Texas, Will Clark's sacrifice fly capped a three-run rally in the ninth as the Rangers snapped a five-game losing streak.

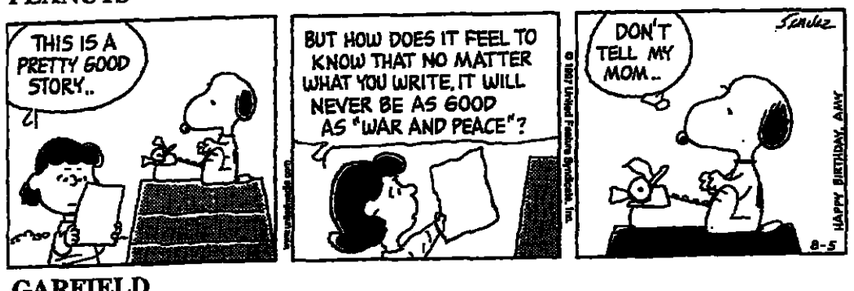
After the Rangers loaded the bases, Mark McLemore hit a two-run double to tie the game at 7-7. Jackson intentionally walked Rusty Greer to reload the bases. One out later, Clark lifted a fly ball to shallow center field, and Tom Goodwin beat Marquis Grissom's throw home.

*In a game reported in Monday's later editions:*

**Tigers 5, Blue Jays 2** In Detroit, Willie Blair won his seventh straight decision as Toronto lost its eighth in nine games.

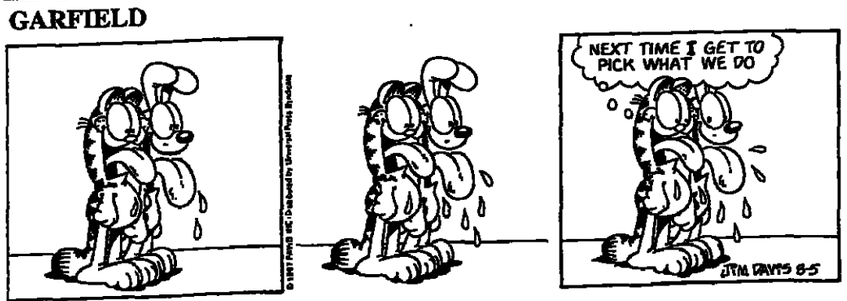
DENNIS THE MENACE

PEANUTS




CALVIN AND HOBBES

GARFIELD

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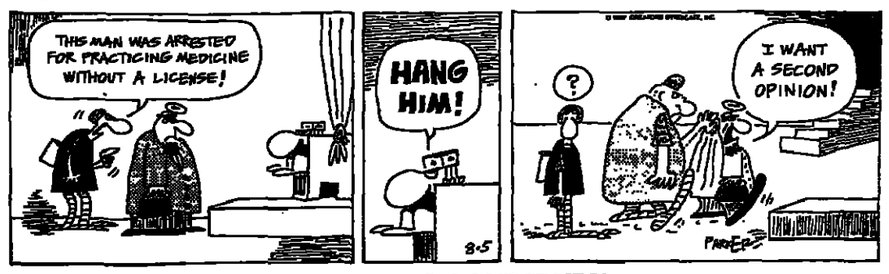


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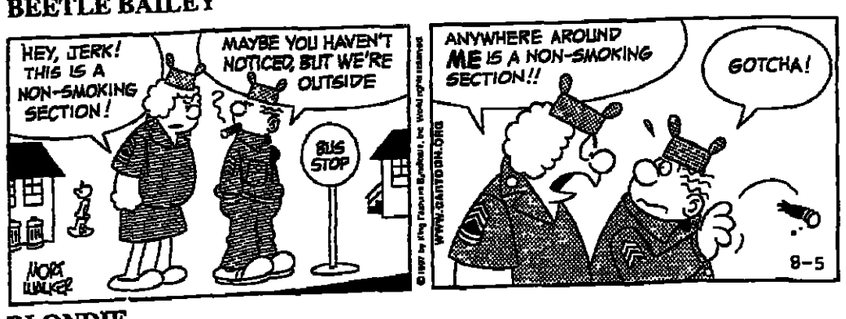


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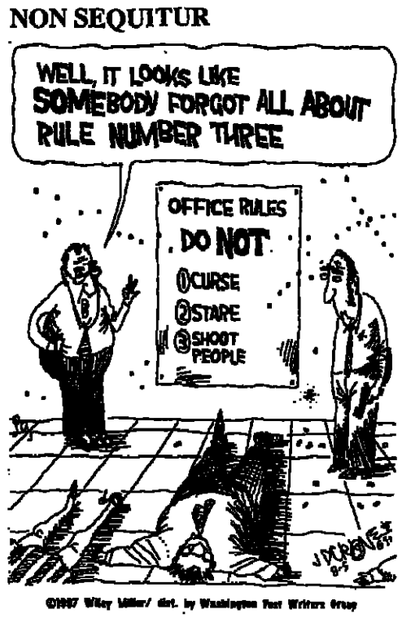


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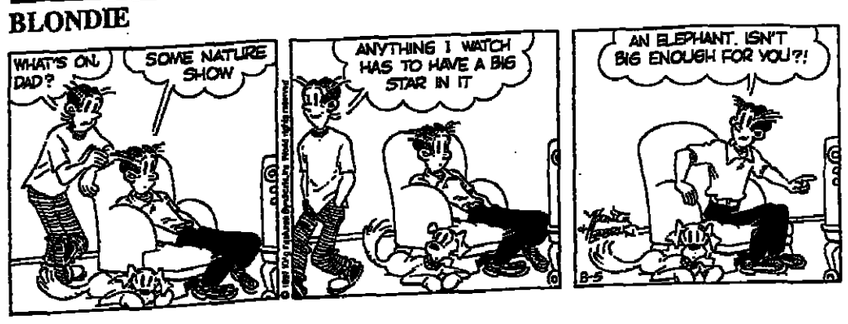
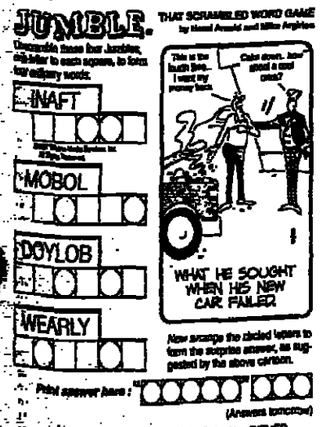



JUMBLE. THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

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## ART BUCHWALD

# Leave Us Some Corn

MARTHA'S VINEYARD, Massachusetts — Once again the leader of the free world is coming to Martha's Vineyard. He brings with him a battalion of press corps people who have been assigned to file interesting daily stories about the island.

Buchwald

Most of the reporters are completely ignorant about Martha's Vineyard and depend on residents like myself to provide journalistic enlightenment.

I received my first call at 7 A.M. from a staffer on a Miami newspaper.

"How big is Martha's Vineyard?" he asked.

"It's about the size of England," I told him.

"What is the staple diet of the inhabitants?"

"Their main source of protein is avocado dip and nacho chips washed down with California Chardonnay."

"What is the income of the average summer resident?"

"Ten million dollars, which is immediately invested in a lawn sprinkling system."

"What kind of currency does the population use?"

"It's called the Moped. Somebody will say, 'I'll give you four Mopeds for a fat-free ice-cream cone.' Or, 'If you give me 10 Mopeds I'll give you enough gas to get you to Gay Head.'"

□

"What are the traditional ways of the summer people concerning their offspring?"

"Each day they place them in tiny sailboats and ship them out to sea, telling them not to be late for dinner."

"Why do you think President Clinton likes Martha's Vineyard?"

"Because Ken Starr spends his summer in Galveston."

"How do the other island inhabitants feel about the president coming here?"

"It doesn't bother them as long as the Secret Service personnel don't eat up their supply of sweet corn."

□

"What do people on the Vineyard talk about?"

"They're certain that Elvis is on the island, but nobody knows if he rents or owns.

"We also talk a lot about whether Chelsea should have gone to Virginia Military Institute instead of Stanford, and there is lengthy discussion over whether the Vineyard should be declared a smoke-free island."

"Do the island people get upset when the president comes?"

"No, they only get upset when their house guests arrive."

### Chinese Unearth More Warriors

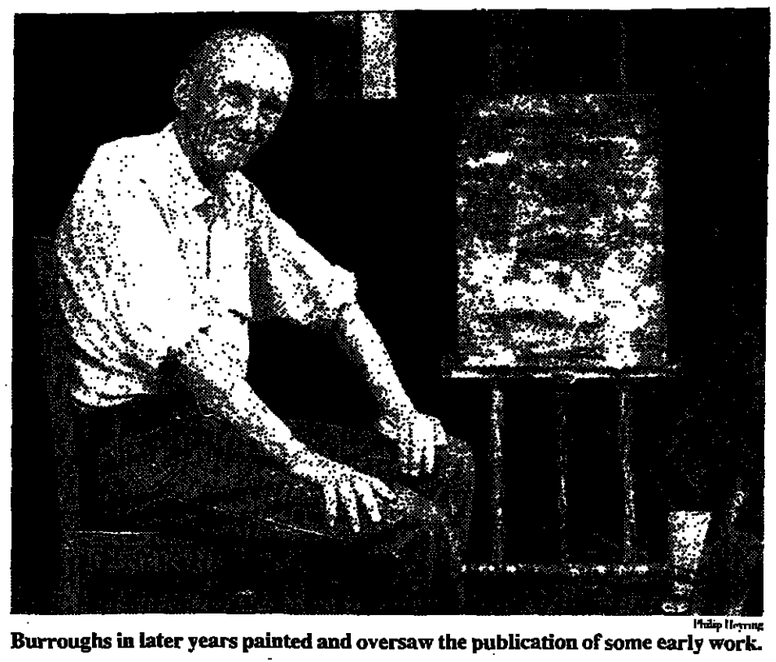
*Agence France-Presse*

BEIJING — Archaeologists at the mausoleum of Qinshihuang (259-210 B.C.), China's first emperor, have unearthed an elite set of terracotta warriors different from the previously excavated army, which draws thousands of tourists to Xian each year.

Unlike the foot soldiers already on display, these statues ride in horse-drawn chariots, kneel to shoot arrows and lead horses, the official Xinhua news agency said Monday. The newly excavated area has yielded 86 warriors and 44 horses, it said.

# How William Burroughs Wrote His Way Out

By David Streitfeld
*Washington Post Service*


Philip Heying

**Burroughs in later years painted and oversaw the publication of some early work.**

WASHINGTON — If you made the journey out to visit William S. Burroughs in his Kansas exile, he'd probably show you his guns. They were kept in a filing cabinet in his tiny house's innermost sanctum, a place where even the writer's beloved cats weren't allowed. With all the pride of an Englishwoman showing off her roses, Burroughs would bring the pistols out one at a time. He'd remove the bullets, squeeze off some imaginary shots at the wall. Then he'd hand the gun over, accompanied by safety tips.

"You always have to think about where your bullets will end up," he cautioned me gravely while I was trying to figure out if he had removed all six bullets from one antique revolver, or was it possible he had taken out only five? "Those idiot deer-shooters, they manage to kill two or three people every year," he said. "They get out there, drunk, and shoot anything that moves."

Getting gun safety advice from William Burroughs was like getting dating tips from Ted Bundy. The longtime drug addict, experimental novelist, founding Beat and genuine cultural icon, who took the ultimate trip Saturday night, was ruled all his life by the events of Sept. 6, 1951, when he tried to shoot a glass off his wife Joan's head and missed, killing her.

Everything in his life before led up to this; everything after stemmed from it, not least the writing. "I have had no choice," he explained years later, "except to write my way out." He succeeded to an extent no one, especially himself, would have suspected. The heart attack he suffered, aged 83, was an oddly peaceful ending for someone who had courted the end countless times, and had seen it happen to so many others, including his only child.

"It is a recurring theme of Burroughs's life that those close to him died violently — this book has more corpses in it than 'Hamlet,'" Ted Morgan wrote in his definitive biography, "Literary Outlaw."

For the last 16 years, Burroughs lived a retiring life in the university town of Lawrence, Kansas, a place he had ended up more or less in by accident but where he had a retinue of business associates and friends to take care of him. He painted — sometimes, in typical Burroughsian fashion, by shooting at a spray can and letting it explode onto the canvas — and he oversaw the publication of his letters, some unpublished early work and a book of dreams. One of them: "I attend a party and dinner at Columbia. Allen Ginsberg is there and rich. Has founded some sort of church."

This was no dream; this was reality. A half-century after the East Coast Jew Ginsberg, the French Canadian Catholic Jack Kerouac and the Midwestern WASP Burroughs shared an apartment in New York, the church of the Beats is stronger than ever, unquestionably the most significant literary congregation in America since the Lost Generation of Hemingway and Fitzgerald, spawn of academic monographs, fat biographies, feature films, celebrations, feuds, imitations and still the occasional denunciation.

All this despite the participants' denials they were a literary movement at all. "Never," Burroughs maintained, although he conceded a kinship with the key Beat ideas: "the search for moral awareness or for more extremes of experience, the feeling of alienation from the social norms."

He had that last one from the beginning. A very early memory was of biting into a water glass and snapping off a chunk, no doubt livening up a mundane family dinner. Burroughs was from St. Louis, where his grandfather invented the adding machine. For decades, everyone thought this meant he was rich, but he had only enough funds to get by.

He went to Harvard, didn't like it and ended up in New York where he discovered drugs. "You become a narcotics addict because you do not have strong motivations in any other direction," he wrote in "Junky," his first book, published in 1953 as a lurid paperback. "Junk wins by default."

For years, "Junky" has been used as an anti-drug text. But Burroughs's own views on junk were more complicated. "It's a good servant but a bad master, and few can keep it in its place," he told me. "I remember when I've been in extreme withdrawal and got a shot, there's nothing like it."

He paused. "Of course, you've got to pay for anything in this life."

"Sometimes more than once," I said, thinking of Joan, shot to death, and their son Billy, who had tried to become a better addict than his father and had died in a ditch.

"Always."

Burroughs was emphatic on this point; happy-go-lucky is not a term that would ever be applied to him. Despite this, the writings can be very funny, although it is still difficult to quote from "Naked Lunch" — his second book, the most popular and universally considered the best — in a family newspaper. It's a selection of scatological routines, framed by his pursuit of junk.

Over the dozen or so books that followed, Burroughs began to chart the delirium of life, cutting up texts and rearranging the sentences into haphazardly pleasing combinations. He did enough writing to keep his hand in, but except for "Naked Lunch" and "Junky," he became more talked about than read, sought more for his gnomic pronouncements than for his prose. From a 1970 interview:

Q: Is love a solution?

A: I don't think so at all. I think love is a virus. I think love is a con put down by the female sex. I don't think it's a solution to anything.

He also believed that space aliens of the type routinely written about in the tabloids were real, and demanded they visit him, too. Perhaps they would have new drugs.

Artists who work close to the edge eventually face unpalatable career options. There's the James Dean solution: Die young and leave a glorious legend. For the living, there are the traps of silence, which is self-defeating, or continuing to write weaker works, which is an embarrassment.

Burroughs showed a way to pass into legend without undercutting it. The phrase "heavy metal," in "Naked Lunch," was appropriated for a style of music. He appeared in commercials for Nike and films like "Drugstore Cowboy," but never seemed to sell out. He was cited as an influence by David Bowie, Lou Reed and Patti Smith, appeared in a rock video for U2, was paid homage by Michael Stipe of R.E.M. at a tribute in Kansas last fall, but never seemed trendy. For interviewers, he acted as tour guide to his past — but only grudgingly, as if he were doing you a favor. When he went to the grocery he still packed a weapon or two, and left no doubt he knew how to use them. I wouldn't be surprised if he took them to the hospital, too.

David Thompson/The Associated Press

**Prince Andrew helping the Queen Mother with some birthday flowers.**

## PEOPLE

IT is a story that every New York reporter believes but few have dared to hint at in print, according to The Washington Post. **Donna Hanover**, the city's first lady, has not only abandoned the re-election campaign of her husband, **Mayor Rudolph Giuliani**, but also is said to be on the verge of leaving him — largely because of the mayor's close relationship with his communications director, **Cristyne Lategano**, 32. On Wednesday, Vanity Fair will amplify the whispers with an article that says Giuliani, 53, is carrying on an extramarital affair with Lategano and has "cowed" the local press into silence. Giuliani denied the report Monday. "My reaction is that it's a scurrilous article. It's untrue," he said. According to Vanity Fair, the city's normally feisty tabloids are laying off Giuliani because their owners — **Rupert Murdoch** of the New York Post and **Mort Zuckerman** of the Daily News — need his support for their media and real estate projects.

□

About 3,000 well-wishers waited six-deep Monday outside the London home of **Queen Elizabeth the Queen Mother** to wish a happy 97th birthday to the country's favorite grandmother, affectionately known as the Queen Mum. **Prince Andrew**, one of her grandsons, stood with her as the Royal Welsh military band marched past playing "Happy Birthday to You" and a 21-gun salute boomed out across Hyde Park. The Queen Mother, wearing a white silk dress patterned with large pink roses, walked past the crowd, leaning on a walking stick. Then she climbed into her chauffeur-driven golf cart to go a greater distance along the line of well-wishers, chatting with some and accepting cards and gifts of chocolate and flowers. British reverence and affection for the monarchy has waned, but the Queen Mother — a keen horse-racing fan and great believer in the restorative powers of a gin and tonic — has remained enduringly popular.

□

Hundreds of Russian musicians and music-lovers passed through a darkened hall of a Moscow art museum Monday to pay their last respects to one of the century's greatest pianists, **Sviatoslav Richter**. As recordings of Richter's performances played, mourners placed white roses and red carnations next to his open coffin. "Today not only Russia is grieving, but the whole world," said **Prime Minister Viktor Chernomyrdin**, who was among those attending the service at the Pushkin Museum of Fine Arts. Richter, who returned to Moscow from Paris less than a month ago, died Friday at the age of 82.

□

The former Beatle **George Harrison** is awaiting results of cancer tests after discovering lumps on his neck, according to his record company. Harrison, 54, had a series of enlarged lymph nodes removed late last month. A spokesman for Apple said the guitarist was confident he was cancer-free. "George is absolutely fine," he said. "There is no reason why he shouldn't be. He had a quick operation for a small lump on the outside of his neck."

The trumpeter **Wynton Marsalis**, the first jazz composer to win a Pulitzer Prize for music, is taking a seat on the New York state Council on the Arts. Besides his jazz work, Marsalis is considered one of the world's best classical trumpet players. He has recorded more than 30 jazz and classical albums.

□

**Julia Roberts** tweaked the script of her new movie, "Conspiracy Theory" co-starring **Mel Gibson**, to add more kissing. "I always want more," Roberts said in the Aug. 11 issue of Newsweek. "Put me and Mel in a movie, and people are going to be waiting for a little smoochie." But she said there was more to the film than kissing. The movie, which opens this week, features Gibson as a maniacal cab driver. It wasn't that hard to get inside the character's mind, he told Newsweek. "I know what it's like to feel paranoid," he said. "I've had my phone bugged. I have people who want star gossip. They follow you around, stake you out. They eavesdrop on your life. It's not always so nice."

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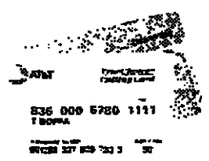


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